

peal of Chinese Exclusion Act; to the Committee on Immigration and Naturalization.

2500. By Mr. SMITH of West Virginia: Petition of members of Charleston (W. Va.) Building Trades Council, affiliated with the American Federation of Labor, favoring the repeal of the Smith-Connally Act and requesting that the prices of food be rolled back to May 1942 level; to the Committee on Military Affairs.

2501. By Mr. BUCKLEY: Petition of John McKinley and 103 others, protesting against enactment of prohibition legislation during the war emergency; to the Committee on the Judiciary.

2502. By Mr. LeCOMPTE: Petition of sundry citizens of Osceola, Iowa, in the interest of House bill 2082, to prohibit the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

HOUSE OF REPRESENTATIVES

THURSDAY, SEPTEMBER 23, 1943

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O brooding spirit of God, in the midst of tragedies, beset by threatening perils, give us strength to cast into the chalice of comfort those compelling ingredients of a conquering faith. O put it to the quivering lips of weeping mothers with the task of emancipating themselves when the outlook is barren and joys droop. Dear Lord, it is so easy to be overtaken by desolating calamity through a false step; do Thou help when staggered by some strange trial and when we fail to gage some situation. We pray that the sufferings of others may challenge us to greater diligence and sacrifice as we tread our smooth, though oftentimes uncertain, ways.

Grant that duty may be our watchword as these days tremble with responsibilities; teach us the wise thing to do and the right way to go that its performance may command approval and support throughout our country. O Thou who dost clothe the lily and inspire the songbird, encourage us to grow in the beauty and strength of Christian manhood and womanhood, thereby justifying our place in the service of our democracy. For life and light, Heavenly Father, and for all this great world with its infinite source of truth and hope, accept our grateful praise. In our Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

SWEARING IN OF A MEMBER

Hon. CLAIR ENGLE presented himself at the bar of the House and took the oath of office.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that at the conclusion of the special orders today I may be permitted to address the House for 20 minutes on Mr. Wendell L. Willkie, the barefoot boy from Wall Street, who is recommending himself as candidate for President on the Republican ticket.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a radio speech given by the Honorable ARTHUR H. VANDENBERG.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

HON. JAMES E. VAN ZANDT

The SPEAKER laid before the House the following communication:

SEPTEMBER 20, 1943.

HON. SAM RAYBURN,
Speaker, House of Representatives,
Washington, D. C.

DEAR MR. SPEAKER: This is to inform you that I have submitted my resignation as a Member of Congress from the Twenty-third Congressional District of Pennsylvania to Gov. Edward W. Martin, effective 6 p. m., September 24, 1943.

I wish to express my sincere appreciation for the many courtesies you have extended me.

Very sincerely,

JAMES E. VAN ZANDT.

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, I have submitted my resignation as a Member of Congress effective 6 p. m., tomorrow, September 24. My resignation is the result of my intense desire to serve my country in the armed forces as a member of the United States Navy.

I am grateful to you, Mr. Speaker, and to my colleagues for the many courtesies shown me during the past 5 years. I shall think often of you and the multitude of important issues you will be called upon to decide. Believe me when I tell you it has been a distinct honor to serve in this distinguished body, the Congress of the United States; yet I feel it is an equal honor to be blessed with good health and able to serve in the armed forces.

Naturally it shall be my ambition, when the war clouds have been dispersed, to return to Congress, richer in experience and with a broader outlook.

Until we meet again, good luck and godspeed to all of you.

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I am sure I express the wishes of every Member of the House when I say we regret very much the loss of our good friend and colleague the gentleman from Pennsylvania [Mr. VAN ZANDT]. While he has always been a loyal Republican, yet Democrats and Republicans alike appreciate his many admirable qualities and the fine service he has rendered in Congress for his district and his country. He has always zealously promoted that which he believed was for the best wel-

fare of his country. He has been outstanding in his affection for the veterans of the country and he has always been their ready champion. A veteran of the First World War himself, interested as he has been in many patriotic organizations, he knew their needs and vigorously urged legislation which would contribute to their welfare and that of their dependents. We in the House have cherished his judgment in veteran legislation. I might say that in urging legislation he has never waited for others to take the lead. Much of the legislation which he urged was enacted into law and more of it will be in the next few months.

So, Jim, we regret to see you go, although we admire the warm patriotic urge which prompts you to serve your country on the field of battle in this critical time. We are certain your new career will bring to you even richer honors than you have won in the past. May you have the fullest measure of success; may you escape unharmed the ravages of war and may you return to this great body at some future date. When you do return with new honors and with the satisfaction of having contributed to the victory your country will win we will welcome you with outstretched arms.

The SPEAKER. The time of the gentleman has expired.

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MICHENER. Mr. Speaker, patriotism plus courage are component factors in the make-up of one who will resign a seat in Congress at this time to enter the armed forces. These factors are common denominators in JIMMIE VAN ZANDT. While we all regret exceedingly to see him go, yet we applaud his choice and wish him good luck. His path in the days immediately ahead will be over a rugged and dangerous course. He served with honor in the Navy during World War No. 1. He has had considerable active duty on the high seas during the present war. He knows the danger which confronts him and I am sure that his decision is not prompted by emotion or overpersuasion. It is just plain, natural JIMMIE VAN ZANDT, responding to what I am convinced he feels sure is his duty.

Many of us have been acquainted with this unusual man since shortly after the First World War. We came to know him well because of his interest in veterans' legislation and his association with veteran organizations. More recently, as legislative representative and national commander of the Veterans of Foreign Wars, he has been well known to all Members of Congress. Few veterans have a Nation-wide acquaintance equal to his.

He came to Congress equipped for the work and has done a splendid, worthwhile job. JIMMIE VAN ZANDT is always most interested in the common man. It will be difficult for the Twenty-third District of Pennsylvania to fill his place

at this time. His experience, his industry, his ability, his integrity, his personality and, last but not least, his uniform courtesy and good nature have made him an unusual asset to his district, his State, and his country.

I am sure we all hope that this terrible war will soon come to a victorious conclusion, and that the good people of his congressional district will return him to the seat which he now holds and to the service which he performs so well.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, my friendship for the gentleman from Pennsylvania, JIMMY VAN ZANDT, who has served with me on the Committee on World War Veterans' Legislation for many years, is what has been described by someone as flowers that overhang the walls of party politics.

JIMMY VAN ZANDT is a Pennsylvania Republican and I am a Mississippi Democrat. Our political views are divergent, but our ideals of patriotism and the welfare of our country are parallel.

On that committee we have had to deal with the laws, the rules, and regulations that vitally affect the welfare of the veterans of this war and of the last World War, and I want to say that those veterans who are entitled to our consideration at all times never had a better friend in Congress than the gentleman from Pennsylvania, JIMMY VAN ZANDT.

Not only has he been the friend of veterans, but he is one of them. He has a splendid record in World War No. 1, and in this conflict, and when he goes to join the boys abroad who are now marching onward to complete victory over the allied dictatorships of this world we know he will give as good an account of himself as any man who has ever followed the American flag.

It is said that the Spartan mothers, when they sent their sons to war, would hand each one a shield and say "Come back with this shield or on it."

We have no doubt but that as the gentleman from Pennsylvania, JIMMY VAN ZANDT, goes forth to fight his country's battles in this great war, that he will not only give a glorious account of himself, but that when he returns he will either come back with the American flag over him or the American flag draped about him.

Godspeed to you, Jimmy; our love, our affections, and our admiration go with you.

Under permission granted me to extend my remarks in the RECORD, I am inserting a statement of the services of the gentleman from Pennsylvania [Mr. VAN ZANDT] and also a statement of his citations:

JUNE 28, 1933.

Subject: VAN ZANDT, JAMES EDWARD, chief quartermaster, class V-1, United States Naval Reserve (inactive duty), regarding statement of service in the case of.

Sir: The records on file in this Bureau show that JAMES EDWARD VAN ZANDT enlisted in

the Navy April 30, 1917, at the Navy recruiting station, Pittsburgh, Pa., as apprentice seaman, to serve 4 years; stated that he was born in Altoona, Pa., December 18, 1898; was transferred to the Naval Training Station, Newport, R. I., April 30, 1917; was rated seaman second class, May 25, 1917; transferred to the U. S. S. *New York* May 25, 1917; to the U. S. S. *Albany*, July 13, 1917; to armed draft detail, navy yard, New York, August 28, 1917; served as a member of the armed guard on board the steamship *Athen* from July 14, 1917, to August 15, 1917; steamship *Varalia* from August 17, 1917, to September 18, 1917; steamship *Devoneaux* from October 1, 1917, to November 8, 1917; steamship *Ninian* from November 8, 1917, to December 14, 1917; steamship *Crown of Seeloe* from December 18, 1917, to January 21, 1918; steamship *Baydoullass* from January 26, 1918, to April 3, 1918; was rated seaman February 1, 1918, and seaman signalman first class April 1, 1918; served on board the steamship *Manzan* from April 8, 1918, to May 13, 1918; steamship *Santa Paula* from June 18, 1918, to August 15, 1918; was rated quartermaster third class (s), August 1, 1918; transferred to the U. S. S. *Santa Paula*, August 15, 1918; to the Naval Hospital, Norfolk, Va., August 19, 1918; to the armed guard detail, navy yard, New York, September 17, 1918; U. S. S. *Santa Paula*, January 20, 1919; was rated quartermaster second class, March 5, 1919; quartermaster first class, April 1, 1919; status was changed to duration of war, July 25, 1919; was transferred to the Navy demobilization station, Pittsburgh, Pa., August 21, 1919; and was issued an honorable discharge, August 22, 1919, as quartermaster first class, from the Navy demobilization station, Pittsburgh, Pa., by reason of expiration of duration of war enlistment; enrolled in United States Naval Reserve force, July 29, 1921, at the Navy recruiting station, Pittsburgh, Pa., as quartermaster first class, to serve 4 years; was released from active duty July 29, 1921; reported for active duty for training on board the U. S. S. *Fairfax*, August 20, 1921; was released from active duty for training from the U. S. S. *Fairfax* September 3, 1921; reported for active duty for training on board the U. S. S. *Wolverine*, July 24, 1922, was released from active duty for training from the U. S. S. *Wolverine*, August 7, 1922, reported for active duty for training on board the U. S. S. *Wolverine*, August 6, 1923; was released from active duty for training from the U. S. S. *Wolverine*, August 20, 1923; reported for active duty, May 5, 1924, on board the U. S. S. *Reina Mercedes* in connection with Olympic try-outs; was released from active duty, June 17, 1924, from the U. S. S. *Reina Mercedes*; reported for active duty for training on board the U. S. S. *Topeka*, August 16, 1924; was released from active duty for training from the U. S. S. *Topeka* August 30, 1924; reported for active duty for training on board the U. S. S. *Topeka*, July 11, 1925; was released from active duty for training from the U. S. S. *Topeka*, July 25, 1925, and was issued an honorable discharge, July 28, 1925, as chief quartermaster, from the headquarters, Fourth Naval District, at Philadelphia, Pa., by reason of expiration of enrollment. VAN ZANDT's rating was changed from quartermaster first class to chief quartermaster effective September 1, 1923. He enrolled in the United States Naval Reserve July 29, 1925, at Pittsburgh, Pa., as chief quartermaster; was released from active duty July 29, 1925; reported for active duty for training on board the U. S. S. *Lardner*, August 15, 1925; was released from active duty for training from the U. S. S. *Lardner*, August 29, 1925; reported for active duty for training on board the U. S. S. *Dallas*, July 3, 1926; was released from active duty for training from the U. S. S. *Dallas*, July 17, 1926; reported for active duty for training on board the U. S. S. *Charles Ausburn*, July

30, 1927; was released from active duty for training from the U. S. S. *Charles Ausburn* August 13, 1927; reported for active duty for training on board the U. S. S. *Putnam*, July 28, 1928; was released from active duty for training from the U. S. S. *Putnam*, August 11, 1928; reported for active duty for training on board the U. S. S. *Brooks*, July 6, 1929; was released from active duty for training from the U. S. S. *Brooks*, July 20, 1929; and was issued an honorable discharge, July 28, 1929, as chief quartermaster, from the headquarters, Fourth Naval District, at Philadelphia, Pa., by reason of expiration of enrollment; reenrolled, July 28, 1929, at Pittsburgh, Pa., as chief quartermaster, to serve 4 years; was released from active duty July 23, 1929; reported for active duty for training on board the U. S. S. *Breckinridge*, July 5, 1930; was released from active duty for training from the U. S. S. *Breckinridge*, July 19, 1930, under honorable conditions, as chief quartermaster.

Very truly yours,

F. B. UPHAM,
Chief of Bureau.
C. B. HATCH.

By direction.

NAVY DEPARTMENT,
BUREAU OF NAVAL PERSONNEL,
Washington, D. C.

STATEMENT OF NAVAL SERVICE OF LT. JAMES E. VAN ZANDT, D-V(S), UNITED STATES NAVAL RESERVE

July 29, 1929: Reenlisted as chief quartermaster at Pittsburgh, Pa.

July 5, 1930: Reported for training duty on board the U. S. S. *Breckinridge*.

July 19, 1930: Released from training duty from the U. S. S. *Breckinridge*.

July 10, 1934: Issued a good discharge, under honorable conditions, as chief quartermaster, from the Second Fleet Division, by reason of expiration of enlistment.

August 11, 1934: Reenlisted as chief quartermaster at Washington, D. C.

August 10, 1938: Issued a good discharge, under honorable conditions, as chief quartermaster, from the navy yard, Washington, D. C., by reason of expiration of enlistment. No active duty.

September 1, 1938: Reenlisted as chief quartermaster at Washington, D. C.

June 1, 1941: Issued a good discharge, under honorable conditions, as chief quartermaster, from the navy yard, Washington, D. C., to accept appointment as lieutenant. No active duty.

OFFICER SERVICE

June 2, 1941: Executed acceptance and oath of office as lieutenant, D-V(S), United States Naval Reserve.

September 3, 1941: Reported for temporary active duty at the Naval Training Station, San Diego, Calif.

September 10, 1941: Detached.

September 11-17, 1941: Temporary active duty on the U. S. S. *Saratoga*, en route to Hawaiian area.

September 18-October 4, 1941: Active duty with Pacific Fleet in Hawaiian area.

Released from active duty in October 1941.

December 1, 1941: Recalled to temporary active duty; assigned and reported to U. S. S. *Plunkett*, December 16, 1941.

January 23, 1942: Detached.

January 24, 1942: Released from active duty.

RANDALL JACOBS,
The Chief of Naval Personnel.
R. McAFEE.

By direction.

APRIL 13, 1943.

From Commander R. E. Webb.

To the Chief of Naval Personnel.

Subject: Report on active duty performed by Lt. J. E. VAN ZANDT, U. S. N. R.

1. During the months of December 1941, and January 1942, Lt. JAMES E. VAN ZANDT, U. S. N. R. (Hon. JAMES E. VAN ZANDT, Member of Congress), was on active duty in the United States Navy under my command.

2. He reported for active duty on board the U. S. S. *Plunkett*, and was assigned duties appropriate and commensurate with his rank.

3. He quickly made himself part of the organization and obtained a thorough grasp of the general situation, at the same time showing exceeding energy in becoming familiar with equipment and methods which had been developed since his last tour of active duty. No special consideration or privileges were accorded him because of his official position as a Member of Congress and he accepted the duties of his rank in a splendid spirit and carried them out in an excellent and seamanlike manner.

4. The U. S. S. *Plunkett* was engaged in escort of convoy duty in the North Atlantic. During this period enemy submarine contacts were experienced both during day and night and exceedingly heavy weather prevailed most of the time.

5. During this tour of duty Lieutenant VAN ZANDT performed his duties under very adverse conditions with an understanding which is considered outstanding.

6. He should have a higher rank than that of lieutenant, and should his services be of more benefit to the Nation as a naval officer than in Congress he is recommended for promotion. I consider him to be fully qualified for the rank of commander, and strongly recommend him for this rank.

7. It is requested that this report be made a part of Lieutenant VAN ZANDT's record.

8. In view of existing orders concerning reports on operations this report is classified as confidential.

R. E. WEBB,

Commandant, U. S. N., C. T. U. 4.1.4.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks and to include some excerpts in the RECORD about our distinguished colleague from Pennsylvania.

The SPEAKER. Is there objection?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that any Member who wishes to speak concerning the departure of our colleague the gentleman from Pennsylvania [Mr. VAN ZANDT] be allowed to extend his remarks in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Without objection, the gentleman from Indiana [Mr. SPRINGER] is recognized for 1 minute.

Mr. SPRINGER. Mr. Speaker, I have known our fine and distinguished colleague the gentleman from Pennsylvania, Representative JAMES E. VAN ZANDT, for many years. Our association began very soon after World War No. 1, in which we had both participated. He was at the time of our first acquaintance engaged very actively in veterans' affairs, and at that time I was likewise engaged in my home State of Indiana. By reason of this kindred service then, and throughout the years, our friendship ripened and it has become mature. I have been associated with him in veterans' affairs when we were working in the

ranks, and I have been associated with him in this same service when he was serving as national commander of the Veterans of Foreign Wars. He has truly been the friend of the veterans of all wars. He is a loyal and patriotic citizen.

It is with deep regret that we see him leave this Chamber to join the colors. We will miss him here; he will be greatly missed in the committees of the House upon which he served; he will be missed in all matters of veterans' legislation; and, may I say, I will miss my colleague and my warm friend of many years.

When the smoke of battle clears away and victory is ours, our colleague who leaves us today will return again to take up the work which he now leaves. It is our prayer that he may have good luck, that his journey may be a safe one, and that he may return to us both sound and strong.

My colleague, we will be awaiting you. May the days be short and the path be smooth. Our best wishes follow you.

DAVID MURDOCK

Mr. HARLESS of Arizona. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. HARLESS of Arizona. Mr. Speaker, at this moment I wish to pay tribute to the memory of First Lt. David Murdock, the son of our colleague from Arizona, JOHN R. MURDOCK. He was recently killed in action in the battle for Sicily. The day he was killed was his second anniversary in the armed forces. He was 29 years old.

This young man was outstanding; he had not only distinguished himself in the armed forces but he had distinguished himself in civilian life before the war began. He was a musician with an enviable reputation. Some of his compositions have already attracted national attention. Those who knew him will greatly feel his loss. Our most sincere and deepest sympathies go to the father and mother.

I think it becomes our duty to see that this sacrifice and similar sacrifices shall not have been made in vain.

THE SIX SONS OF MR. AND MRS. J. A. TEINERT

Mr. POAGE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. POAGE. Mr. Speaker, down at Copperas Cove, in Coryell County, Tex., there live a couple of the Nation's outstanding heroes—Mr. and Mrs. J. A. Teinert, who have six boys in the armed forces of the United States. Of course, I realize that the parents with only one son are contributing their all just as thoroughly as those who have six sons in the Army, but those of us who are only risking our dollars in this war are never going to be able to match this contribu-

tion. Nevertheless, when I looked at the picture of these six brothers in the Coryell County News this morning I sent my check home for some more War bonds.

Mr. Speaker, the great Southwest has been doing its part to win this war. Cranfills Gap, a small town in Bosque County, Tex., was, I believe, the first community in the United States to oversubscribe its quota in the Third War Loan drive. I am proud of the people of Cranfills Gap. I am even more proud of the Teinert family and the thousands of others in central Texas and the other Americans throughout this Nation who are sending their sons to fight for America.

EXTENSION OF REMARKS

Mr. HARE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and include therein a brief address delivered by me.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

(Mr. JENSEN asked and was given permission to extend his own remarks in the RECORD.)

Mr. HOPE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a statement recently adopted by the members of the board of directors of the American Farm Bureau Federation.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a statement made by me.

The SPEAKER. Is there objection to the request of the gentleman from Vermont?

There was no objection.

Mr. GOSSETT. Mr. Speaker, I ask unanimous consent to extend by own remarks in the Appendix of the RECORD and include therein an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

HEARING BY COMMITTEE ON RIVERS AND HARBORS

Mr. MANSFIELD of Texas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MANSFIELD of Texas. Mr. Speaker, I wish to give notice to all Members that on next Tuesday the Committee on Rivers and Harbors will hold a hearing on the resolution (H. J. Res. 143) introduced by the gentleman from Illinois [Mr. SABATH], providing for the diversion of additional water from Lake Michigan through the Sanitary Canal at Chicago. In view of the fact that this is a matter that has generally been very controversial, I desire to give this public notice of the forthcoming hearing.

EXTENSION OF REMARKS

Mr. CAPOZZOLI. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein the text of an address I delivered in collaboration with the Office of War Information in a broadcast to Italy shortly before the surrender of that country.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an article entitled "The O. W. I. Boys" which appeared in the Morning World of September 21, 1943.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SABATH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein excerpts from newspapers on the life of Judge Julian Mack who during 1917 helped write an insurance act and other legislation in the interest of our boys, and also on the life of Professor Hrdlicka who passed away only a few days ago.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GROSS. Mr. Speaker, having believed in and supported the Ruml plan, I ask unanimous consent to revise and extend my remarks and include therein an editorial appearing in the Record Herald of Greensboro, Pa., entitled "Simplification in Reverse."

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THE WEATHER BUREAU

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HINSHAW. Mr. Speaker, the Weather Bureau seems not to be immune from that disease which pervades Government agencies during wartime—namely bureaucratic bungling and aggrandizement of power. I am mortified to find that this Bureau, of all bureaus, should be so afflicted.

On the east coast, weather information is published currently and obtainable by dialing one's telephone. On the west coast it is very hush-hush and nobody must know anything, yet every meteorologist knows that weather moves generally from west to east. West coast weather comes from off the Pacific, and a Jap sub or two a few hundred miles offshore can know more about tomorrow's weather on shore than we who live there. Nazi subs in the Atlantic need only the currently published east coast United States weather reports to apprise them of the weather to come.

The Weather Bureau's cunning camouflage is back end to. They cannot be that dumb. What is their peculiar purpose?

PERMISSION TO ADDRESS THE HOUSE

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes today after the conclusion of other special orders that have been entered.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

(Mr. LAMBERTSON asked and was given permission to extend his own remarks in the RECORD.)

CLEVELAND EXCEEDS WAR BOND QUOTA

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. FEIGHAN. Mr. Speaker, it gives me pleasure to bring to the attention of the Members of the House that the great cosmopolitan city of Cleveland, whose population consists of Americans of all races, creeds, and descendants of all nationalities, has again demonstrated its patriotism and true Americanism by being the first city of a million population to reach and to exceed its quota in the \$15,000,000,000 Third War Loan drive. The people of Cleveland purchased more than \$242,000,000 in bonds, exceeding their quota, which was \$233,000,000. They have shown, not only by production in the factories, but by their generous purchases of War bonds, that they are solidly backing up their valiant fighting men.

DISCRIMINATION BY WAR MANPOWER COMMISSION

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HOFFMAN. Mr. Speaker, in the Fourth Congressional District of Michigan, the employees of a concern which is working on 17 orders for the Navy and the Maritime Commission have been told by the War Manpower Commission that they are not engaged in an essential industry. This morning I took the matter up with the Commission here in Washington and asked them whether or not low gunners' stools for use in combat planes was an essential item and was told that it was not.

The Navy thinks it is. What does W. M. C. know about it?

The thing that bothers me is the inability to learn whether the Navy, which wants those stools for gunners, knows more about it than the Manpower Commission. In a town within 100 miles of the same place another concern making similar items has been declared to be an essential industry.

What justification can there be for that sort of discrimination? None at all.

The SPEAKER. The time of the gentleman from Michigan has expired.

AMENDING THE NATIONAL HOUSING ACT AS AMENDED

The SPEAKER. The Chair recognizes the gentleman from Alabama [Mr. STEAGALL].

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 3291) to amend the National Housing Act, as amended.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. STEAGALL]?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, will the gentleman explain the bill briefly?

Mr. STEAGALL. Mr. Speaker, the main purpose of the bill is to increase the authorization for the insurance of loans by the Federal Housing Administration, under title VI, upon residential construction to be used by workers in the various areas.

The need for housing for war workers must be supplied in one of two ways—either by direct appropriation for temporary construction under the Lanham Act, which calls for direct appropriations out of the Treasury and which contemplates the destruction of such houses after the war, of course, would mean the total loss of funds expended; or by loans by private investors insured under the provisions of this bill. Under the pending bill, title VI, the Federal Housing Administration would insure loans made by private investors in defense areas where they feel justified in treating such construction as permanent.

This and the extension of title I until July 1, 1947, and the extension of operations under title II until July 1, 1947, constitute the provisions of the bill.

Mr. EBERHARTER. Will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. Does the bill before us now relate only to insurance provisions?

Mr. STEAGALL. Yes.

Mr. EBERHARTER. Only insurance?

Mr. STEAGALL. That is right. The bill was reported unanimously by the Committee on Banking and Currency, after hearings and thorough consideration.

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. STEAGALL]?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 603 (a) of the National Housing Act, as amended, is hereby amended by (1) striking out "\$1,200,000,000" and inserting in lieu thereof "\$1,600,000,000"; and (2) striking out of the third proviso "July 1, 1944" in each place where it appears and inserting in lieu thereof "July 1, 1945."

SEC. 2. Section 203 (a) of such act, as amended, is amended by striking out of the third proviso "1944" and inserting in lieu thereof "1947."

SEC. 3. The first sentence of section 2 (a) of such act, as amended, is amended by striking out "1944" and inserting in lieu thereof "1947."

With the following committee amendment:

Page 2, line 4, insert:

"Sec. 4. The first sentence of section 2 (f) of such act, as amended, is amended by striking out 'three-fourths of.'"

The committee amendment was agreed to.

Mr. GIFFORD. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, it is not pleasant to strike a sour note. Whether this is called a bureau or agency of the Government does not matter. I am not objecting to the extension of title VI, and I am not objecting to the extension of title I, although we are losing money, but how long must we extend the general proposition?

They are asking us to extend title II until 1947, and for what reason? In the committee I made the suggestion that it is now time that private capital be allowed to resume the servicing of mortgages on existing structures. The banks are loaded with money. Must this Government constantly and forever hold an umbrella over these lending agencies? Will not everybody want finally to come under that umbrella?

My good old New England section takes few of these mortgages. In my own congressional district I do not think you can place one. They say that if a mortgage cannot stand on its own feet they do not want it, but they also claim they are taking good care of the mortgages available.

My complaint is in reference to the extension of title II. They now wish it so that after the war they can stabilize the mortgage market. Yes, they see the need to stabilize their own holdings, their own mortgages. I personally own many lots of land in one area and I have recently had to buy a lot of others to stabilize the market lest they be put on the market at a price which would jeopardize my investment. The more we insure the more we need to stabilize values. Finally this will be a never-ending proposition of stabilizing and we may well contemplate the many years of liquidating. These bureaus manage to perpetuate themselves.

We started this at a time when it was probably needed, but we expected it to be temporary. But what bureau, what agency, is temporary? Name one that we can get rid of. They go on for the rest of our lifetime. This may be a sour note but it needs constant repetition. I wish this measure did not extend title II until 1947. I can only say I am very glad I do not belong to that majority party that will finally have to acknowledge the full responsibility.

Mr. STEAGALL. Mr. Speaker, I rise in opposition to the pro forma amendment.

Mr. Speaker, my good friend, the distinguished gentleman from Massachusetts, asks when the service now rendered under title II of the bill is to be resumed by private business. Let me say to the gentleman, as he well knows, that no loan of any kind is authorized to be made by the Federal Housing Adminis-

tration under title II or any other provision.

The Federal Housing Administration is only permitted to insure loans. They have operated since June 1934, the time of the passage of the original act, at a profit of over \$50,000,000 without loss to the Government. In this particular matter of the insurance of existing construction under title II, under existing conditions such service could not be rendered by private investors without this insurance. No one could get such loans at all. Many who need loans on existing property, would be left helpless. If they were able to obtain such accommodation at all, they would be charged high interest rates, which they could not pay. As a matter of fact, this service would not be afforded.

Mr. WILSON. Mr. Speaker, will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Indiana.

Mr. WILSON. Is the profit of which the gentleman spoke a profit over the operating expenses of F. H. A.?

Mr. STEAGALL. Yes. There is a profit of something like \$50,000,000. The fund was originally \$10,000,000 supplied by the Treasury of the United States, and they have insured loans in excess of \$4,000,000,000. The initial period of their operations has been covered, and that is the main period of risk because a man who has paid for years on a home mortgage is more likely to continue to pay, of course, than he would be the first few years of the existence of a mortgage. Interest rates have been reduced, loans upon long term basis conducive to home ownership have been afforded and without loss.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Michigan.

Mr. HOFFMAN. The gentleman says they have operated at a profit. Of how much?

Mr. STEAGALL. They began with a fund of \$10,000,000, and they have absorbed their losses and their fund now runs above \$60,000,000.

Mr. HOFFMAN. The gentleman means they made a profit?

Mr. STEAGALL. Yes.

Mr. HOFFMAN. Did they get that out of the borrowers?

Mr. STEAGALL. Yes.

Mr. HOFFMAN. It was not loan-shark business, though?

Mr. STEAGALL. They reduced interest rates and gave long-term accommodations, which could not be had any other way.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Massachusetts.

Mr. GIFFORD. I do not want the gentleman to give the impression that I do not understand this proposition.

Mr. STEAGALL. I know the gentleman does; but the gentleman asked when this service would be done by private investment. It is being done now by private investment. I know the gentleman did not want to mislead the House.

I know the gentleman understands it full well.

Mr. GIFFORD. I do not want the gentleman to say that I am ignorant of it, because this is only the insurance provision. The gentleman does not think that we ought to keep it up so that finally all lending agencies would want to be insured by the Government before they would lend money? Does not the gentleman see the danger of that?

Mr. STEAGALL. We do not propose to continue this. This bill continues this only temporarily. No Member of the House is better informed than the gentleman from Massachusetts and no Member of the House could be further from any purpose to mislead the House than my good friend, for whom I have the highest admiration and regard.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Illinois.

Mr. SABATH. Is it not a fact that this increase in authorization, if it is passed, is for the purpose of insuring or guaranteeing mortgages mainly on homes for the war workers?

Mr. STEAGALL. That is what is involved in title VI of this bill, in which we ask for this increased authorization. We are not asking for any increased authorization for any other provision of the bill.

The SPEAKER. The time of the gentleman from Alabama has expired.

Mr. WILSON. Mr. Speaker, I move to strike out the last two words.

Mr. Speaker, just before the Congress adjourned for the recess just finished, we appropriated \$1,000,000 for Federal public housing. At that time I made the statement that I was in favor of more private building. I am in favor of more F. H. A. housing. I am in favor of that program because it enables people with a little initiative to own a home who probably would not be able to do so under other arrangements.

Mr. DIRKSEN. Mr. Speaker, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. DIRKSEN: Page 1, strike out the figures "1947" and insert "1946."

Mr. STEAGALL. Mr. Speaker, I do not think anybody objects to that amendment. It is not destructive of the purpose of the bill. The amendment is acceptable.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. DIRKSEN. Mr. Speaker, I move to strike out the last word. I thank the chairman of the Committee on Banking and Currency for accepting this amendment. It is in line with the observations made by the gentleman from Massachusetts [Mr. GIFFORD]. I remember when we first embarked on a housing program and passed the Housing Act and, of course, the purpose was to provide employment; it was a combination of private enterprise and Government aid. I think it has done a splendid job.

I believe the Federal Housing Administration is one of the outstanding agencies in the housing field, and in my judgment it has been capably administered by Abner Ferguson and his associates. My interest in this, and the reason for this amendment which reduces the time from 1947 to 1946, is simply this: There is a provision that they will continue to insure existing structures, and that has always been something of a controversy. Many large financing institutions are fairly going around seeking an outlet for their funds, and the rates are tremendously low. I do hope, and I believe we shall reach a period when we will get out of this insurance program, insofar as it relates to existing structures, where no question of employment is involved. I think that was in the mind of the President in 1937, when he made a statement on that particular item, and also Stewart McDonald, former Administrator of the F. H. A., who made another statement, as did John Fahey, of the Federal Home Loan Bank Administration. I am only seeking to cut down the time, because we will come to a period when private enterprise must in the main assume this responsibility, and there must be an outlet for this abundance of capital, and so it does seem better to make this 1946, so that if by that time all hostilities are over, and we begin to follow our normal peacetime pursuits and are seeking to give private enterprise every opportunity to carry the load in bringing about full employment in the country, this will be a step in that direction.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEAVE TO ADDRESS THE HOUSE

Mr. COMPTON. Mr. Speaker, I ask unanimous consent that at the conclusion of all legislative business on the Speaker's desk and any other special orders heretofore granted, I be permitted to address the House for 10 minutes on Thursday next on the subject of the drafting of fathers.

The SPEAKER. Is there objection? There was no objection.

ADJOURNMENT OVER

Mr. MCCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to Monday next.

The SPEAKER. Is there objection? There was no objection.

EXTENSION OF REMARKS

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include the draft of an agreement for the United Nations Relief and Rehabilitation Administration.

The SPEAKER pro tempore (Mr. MONRONEY). Is there objection to the request of the gentleman from New York (Mr. BLOOM)?

There was no objection.

The SPEAKER. Under special order heretofore made, the Chair recognizes the gentleman from California [Mr. VOORHIS] for 30 minutes.

THE NATIONAL DEBT—TAXES AND FOOD PRODUCTION

Mr. VOORHIS of California. Mr. Speaker, my remarks this afternoon are in the nature of a report to the House on some of the problems existing in my section. I believe a good many of these problems are of sufficient general applicability to be of interest to the House, and that is the reason I have asked for this time. I shall, in the course of my remarks, try to touch briefly on the problems that I found confronting our people in southern California on the subjects of the national debt, on taxes, and finally on the question of food production, to which I shall devote most of my time.

There is a deep and universal concern among the people about the Nation's debt.

There is not the slightest hesitation on the part of the people about recognizing the necessity of spending such money as we have to spend to win the war, but they are beginning to see what the implications of \$300,000,000,000 national debt really are.

I found, much to my own personal encouragement, a wide interest in and acceptance of the presentations and proposals contained in my book, *Out of Debt, Out of Danger*. There is, I am convinced, a growing feeling among the people that the creation of these billions of dollars of new money by the banking system for the purpose of purchasing interest-bearing Government bonds ought to be stopped. The people are beginning to realize what this process really is and to see its fundamental injustice. They are beginning to understand that a continuance of this practice will mean the fastening upon future generations of an interest burden of from seventy-five to one hundred billion dollars of debt when that interest burden is utterly unnecessary.

How, then, is it to be avoided? The best way, the constructive way, and the way that will really strike at the very heart of any inflation danger that may exist is for us to resolve to pay for the war currently out of two sources of income—first, taxes; and, second, genuine borrowing of money already in existence from the people as individuals, from non-finance corporations, or from banks if the banks give up money which they already possess when they purchase the bonds and do not create new money, in the form of demand deposits, for this purpose. There is, however, another way in which this huge interest burden could be avoided. It has been presented to the House repeatedly by such Members as the gentleman from Texas, Congressman PATMAN, and myself. It is to use non-interest-bearing debt to the extent that taxes and savings of the people fail to meet the cost of the war. This in turn can be accomplished either by having the Congress itself draw directly on the credit of the Nation for such additional money as may be required to finance the war,

or else by requiring the Federal Reserve banks to purchase non-interest-bearing certificates from the Treasury in precisely the same manner as they make purchases now of interest-bearing bonds.

I find that there is a widespread misunderstanding of the cause of inflation. The cause of inflation, as every student of the subject knows, lies in the existence of a larger volume of total active buying power than there are consumer goods to be bought with that buying power. This means either that this excess buying power will be used to help finance the war, or that it will exert a continuous pressure upon prices. Increases in wages or increases in farm prices are a result, not a cause, of the inflationary condition.

The question is whether we are going to attack inflation fundamentally at its source or whether we will continue to be possessed of what seems to me to be an unreasoning fear of, for example, a 1-cent-a-quart increase in the cost of milk or small increases in wages in cases where there exists an obvious disparity between income in one industry and another.

TAXES

I found a very widespread complaint with regard to the extreme complexity of present tax laws and the number of forms and reports necessary for the taxpayer to make up. I am convinced there would be wide support for simplified taxes even though they might be somewhat heavier than at present. To this end I would like to suggest what would seem to me to be a constructive program for the consideration of the House when it tackles the tax problem as it must do almost immediately.

First. Repeal the Victory tax, since it constitutes an utterly unnecessary complication of the present tax structure in view of the passage of the 20-percent withholding tax. Income-tax exemptions are low enough to tax every bit of income above one calculated to provide the minimum necessities of life. The Victory tax introduces different exemptions, a different basis of tax, and it itself furthermore is complicated by the provisions for securing credits for Government bond purchases and insurance payments which do not amount to much in the first place and which unnecessarily add to the confusion in the second place.

Therefore, it would be my suggestion that the Victory tax be repealed, and that we depend solely upon the withholding tax for obtaining revenue in the lower tax brackets. I have always believed Victory tax exemptions of only \$624 were too low anyway, particularly where a taxpayer has large numbers of dependent children.

I think it is true that under present conditions some of the brackets of the income tax could be increased, and probably should be. I do not happen to believe that that is true of the lowest brackets.

Third. In many respects the most logical tax that could be imposed under present circumstances is a tax on luxury spending. The need for this now is precisely the opposite from a tax standpoint from our need in a peacetime econ-

omy where we are trying to expand the consumer demand for the goods that we can produce in such abundance. People who engage in luxury consumption during a war should pay well for the privilege, and such a tax would be a means of keeping consumer purchases in line with the available supply of goods. I am not talking about a general sales tax which would inevitably fall with equal weight upon purchases of a minimum amount of food by a poor family with many children and the purchase of evident luxury items by childless and wealthy couples—I am talking about a heavy sales tax or excise tax on purchases of items which are not necessities of life.

I am talking about the purchase of evident luxury items. This is the sort of consumption which does not help the Nation in this war period, the sort of consumption which, in view of the artificial shortage of many kinds of consumer goods, we should discourage. Such a tax is directly aimed, therefore, at any inflationary condition which may be present.

Fourth. There has been much talk about a compulsory savings program. I have believed for a long time we should have such a program, partly because I do not like to see the ownership of the national debt concentrated in the hands of a very few people and financial corporations as is now happening, and partly because it does no good to induce people to buy bonds if they are to be cashed in within 60 or 90 days in anything like the amounts that are now the case. Money lent to the Government ought to stay lent until after the war and the bonds should so provide. The compulsory savings program should work as follows: First set a basic exemption of sufficient amount to cover a good standard of living; then proper exemption should be provided for the purchase of War bonds and insurance payments and payments of debt and the discharge of any contractual obligations of the taxpayer. Having provided these exemptions it would be altogether practical to say that a very high percentage indeed of all income over and above that must be invested by the taxpayer in Government bonds which could not be cashed in until they matured at some period after the close of the war.

Fifth. I found a very widespread criticism of the action of the Congress in passing the compromise 75 percent abatement tax bill. There is a great deal of misunderstanding about how this bill will work out and in my judgment a good deal of the criticism is unjustified. It is true, however, that many taxpayers will receive a very considerable benefit from the passage of this bill at the time of death. Rather I should say their heirs will receive a considerable benefit. In the light of the fact, therefore, that inheritance and estate taxes have not been increased since this war began, one of the most obvious things that the Congress should do is to increase such taxes at the present time. This would be an exact and effective answer to those who charge that Congress has given an undue

advantage to the big taxpayers of the country by passing the 75-percent abatement program.

Sixth. With such a tax program in effect we could in my judgment absolutely forbid the further sale of Government bonds to anybody whatsoever except for cash or preexisting money. This would put a stop to the real cause of inflation which at present is the creation of billions of dollars of new money by the banking system.

Finally, and again in the interest of simplification of the tax structure it seems to me that there is no real need of the quarterly declaration of estimated tax. The present law provides that farmers shall make one return on December 15 each year and pay their taxes on that date. I can see no reason why all taxpayers of taxes over and above what is withheld at the source should not be put on this same basis. This furthermore would get rid of the penalty provision for underestimating one's tax liability which does not seem to me to make any particular sense as long as a man pays his taxes at the close of a year.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Massachusetts.

Mr. GIFFORD. I want to go back to title 1 of the gentleman's statement.

It almost makes me sad that the gentleman should preface his remarks by that constant suggestion that we should print money. He would have such a powerful influence upon public opinion if it were not for that. And I am asking the gentleman this question. Have you as yet, after these many years, gotten any backers, by any teachers or economists in the country? You say the people are beginning to come your way, to think your way on that subject. I do not know who these people are.

Mr. VOORHIS of California. I would like to say to the gentleman from Massachusetts that I did not speak about "printing money," as he puts it. I said that I thought we should cease paying interest on the Nation's own credit, which we are doing now, whenever borrowing newly created check-book money from the banking system.

Mr. GIFFORD. I understand that, but can we not dispose of that point. My question is, Have you gotten any backing from any responsible economists? You refer to the people. Who are those people?

Mr. VOORHIS of California. The great rank and file of people first and most important. A great many very excellent students of these subjects, too. I will refer the gentleman to some of the reviews that have been printed of my book. Very few of them have been critical of it. And there are, of course, a good many earnest students and able economists who are in basic agreement.

Mr. GIFFORD. I would like to have their names, as I should like to take this question up with them.

Mr. VOORHIS of California. I will submit some of them. Former Senator Owen is one. He was one of the au-

thors of the Federal Reserve Act. Prof. Irving Fisher is one.

Mr. GIFFORD. He has had so many theories presented before the Congress that I do not know that I have absolute confidence in him, but I would like to know some of them.

Mr. VOORHIS of California. I will tell the gentleman this—

Mr. GIFFORD. I am not criticizing the gentleman.

Mr. VOORHIS of California. I cannot give the gentleman the names of some of the people, because it is confidential, but I will say to the gentleman that I talked to highly responsible people and to some very successful bankers who have told me that fundamentally they believed that my position about this matter was correct.

Mr. GIFFORD. I would like the names of those bankers.

Mr. VOORHIS of California. I cannot give their names to the gentleman; it would not be proper.

Mr. GIFFORD. May I say that if the gentleman from California would only drop that, because he is so powerful in other ways, he would be such a force.

Mr. VOORHIS of California. At the present time billions of dollars of new money are being created by the banking system against which interest must be paid by the people of this country through the years and yet at the present time, during this war, with the supplies of consumers' goods being reduced, no one ought to be creating any money, no bank or the Government or anybody else, because we do not need an additional supply of money. And if any money is to be created at any time it ought to be done by a governmental agency and the advantages from it should accrue to the people as a whole. For the power to create money, as I have said a good many times in the House, is precisely equivalent to the power to levy taxes.

Mr. GIFFORD. I would like to get into a long debate with the gentleman on that question sometime, but I would like now simply to say that the gentleman would have such powerful influence, he should be such a leader, if he would drop that idea.

Mr. VOORHIS of California. I would welcome such a debate. The gentleman knows I have not only sincere respect but a warm affection for him. But could not the gentleman also concede that I just might be right and that might be one of the reasons why I am able to say that I believe my position is gaining in strength? I know the distinguished gentleman does not share with me my particular view.

Mr. GIFFORD. No.

Mr. VOORHIS of California. But I cannot see how anyone can say that it is any more inflationary to have the Government secure credit on the books of the Federal Reserve through the sale of non-interest-bearing obligations than it is for the Government debt to be constantly increased through the sale of interest-bearing bonds to banking credit systems. As far as the inflationary

problem is concerned, it is six of one and half a dozen of the other.

Mr. ROWE. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Ohio.

Mr. ROWE. Will the gentleman tell us who does benefit by the reduction of the interest-bearing obligations against the national debt?

Mr. VOORHIS of California. Gladly. It would be a benefit to all the taxpayers and all the people.

When you realize that the interest-bearing obligations of the United States at the end of this war will be upward of \$300,000,000,000, there will be required \$7,000,000,000 a year to meet that obligation, even at $2\frac{1}{2}$ percent interest. If we should cut one-third off that interest-bearing debt burden, it would mean the saving of billions of dollars over a very long period of time, as the gentleman of course can see.

Mr. ROWE. Did not the gentleman just say a few minutes ago that in the end it would find its way in the hands of a few who escape taxes?

Mr. VOORHIS of California. But the burden of paying that interest does fall upon every single American citizen. I referred to the ownership of the bonds; the bonds become concentrated as to ownership, and by this process. Thousands of bonds are sold, of course, and to a very large percentage of the population. But after they are bought, a short time afterward, a good many people find it desirable for some reason to cash in some of their bonds, and in a short time you will find that a great many of these bonds have been concentrated in the hands of a very few owners.

My original statement was in reference to the debt burden, not the ownership of the bonds. The benefit about which the gentleman inquires would accrue to the people of the Nation; it would accrue in the form of a reduction of taxes necessary to carry the burden incident to paying the interest on this \$300,000,000,000 of national debt at the close of the war, when we will be paying \$7,000,000,000 a year in interest.

I believe we can carry it, from an economic standpoint; I think it is possible to do it, but I think it is a terrific burden on the country. I think a substantial part of it is unnecessary; that part where the Government borrows money newly created from the very banks that create it. I want to save that part of it that is unnecessary.

Mr. ROWE. I think, if I may make this observation, the gentleman is attempting to defend himself when I am trying to agree with him.

Mr. VOORHIS of California. I am much obliged. I had an opportunity to make a couple of points there and if I spoke with some vigor I am sorry; I did not intend to. But I feel rather deeply on this subject. I am grateful to the gentleman for his inquiry.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I want to talk about food, but I will yield to the gentleman.

Mr. AUGUST H. ANDRESEN. I do not want to divert the gentleman's mind away from his subject but I have been giving consideration to this indebtedness perhaps in this respect: When the war is over we will say that the rank and file of the public hold \$50,000,000,000 worth of Government securities and most of them will want to cash those bonds in. I have been trying to figure out who is going to buy the bonds to refinance payment of these securities held by the rank and file.

Mr. VOORHIS of California. The gentleman's question, I think, more or less answers itself at the present time. If we do not find enough purchasers for the bonds what has been done is to sell them to the commercial banks. Commercial banks buy them without cost to themselves; they buy them with new credits on which they receive the interest. The only charge against it really from the standpoint of the bank is the cost of servicing the account. I do not think there is any doubt that you can go on selling more bonds to the banks if you want to, but I think it means that the banks will become more and more manufacturers of money for the Government, a job the Government ought to do, and less and less institutions for the acceptance of the people's deposits and the making of loans to business and industry, which is a proper job for the banks to do, and not primarily a job for the Government to do.

Mr. AUGUST H. ANDRESEN. Has not that largely taken place in agricultural credits where the Government is handling the major portion of it?

Mr. VOORHIS of California. I think there has been particular reason to a great extent for cooperative credit in agriculture because I can remember the time when a good many of the gentleman's farmers and mine were paying 10, 12, and 16 percent interest.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. Once more, then I must go on because I want to speak about some other things.

Mr. BROWN of Ohio. Might not a partial solution of the problem that arises from the threat of inflation come from just a stopping of waste in Government expenditures?

Mr. VOORHIS of California. I am glad the gentleman asked me that question. We must do the very best we can in that direction. But the Budget for the current year calls for the following amounts: Some \$4,100,000,000 for so-called normal expenditures of Government, a considerable portion of which, however, is absolutely necessary to the war; \$97,000,000 is for expenditure by the Army and the Navy; \$3,000,000,000 is to take care of interest on the public debt, even at present. We cut the Interior Department last year some 40 percent, I believe, over the year previous. We have cut appropriations for a great many Government agencies. While I was at home I found that one result of the cut that was made in the O. P. A. appropriation was that the local ration boards did not have the help they needed

to do a decent job. We have saved some money, we have abolished some agencies. I am not against that necessarily. I think the point is well taken; I think we ought to save every dollar we can save. But to deceive the American people by making them think that if we save \$25,000 by cutting out the work on Japanese beetles, for example, or even a couple of millions by cutting severely the work of the Bureau of Agricultural Economics—if we lead them to think that by doing that we can save them any considerable amount of the burden of public debt which is being caused 98 percent by the war, it just is not right.

Mr. BROWN of Ohio. Do you want to say to the American people that there is no possibility of further savings in Government expenditures?

Mr. VOORHIS of California. I should say not.

Mr. BROWN of Ohio. I would not think so.

Mr. VOORHIS of California. I think I would be very foolish to say that; do not you?

Mr. BROWN of Ohio. That is right; I think the gentleman would be, too.

Mr. VOORHIS of California. There is always the possibility of further saving in Government expenditures just as there is always the possibility of further saving in every avenue of the life of the Nation. There is the possibility of tremendous saving right now incidentally if we would do something about cost-plus-fixed-fee contracts, in my judgment.

Mr. Speaker, I want to speak about food production. While I was at home, I found that due to certain causes the production of vegetables in my home county of Los Angeles, which had amounted to 54,288 crop-acres for this year, that of this amount some 1,500 acres either had not been harvested at all or the produce from them had been dumped at the markets. This happened largely with regard to four principal vegetables—cabbage, carrots, squash, and snap beans. The most serious situation existed with regard to cabbage and the second most serious with regard to carrots, in the case of both of which the Government had requested increased production. Why do these things happen? One reason assigned by some of the farm groups with whom I talked was that the consumer prices were actually too high so that the market for these vegetables was seriously curtailed—people buying other things instead. I believe that is true. I found in many instances a spread between what the farmer received and what the consumer paid that was unconscionable. In the case of cabbage I found the farmer getting less than a cent a pound while the consumer was paying 8 cents or more.

Undoubtedly, however, another cause of this wastage of food lies in the attempted national pricing of these vegetable products without any allowance for transportation costs which prevented the customary export of such vegetables to other parts of the country where they were needed, as a matter of fact. This

was particularly true in the case of cabbage, where a 3½-cents-a-pound price for the whole country was fixed regardless of shipping cost, so that while cabbage was needed in many parts of the country, it was being wasted in our section. Meanwhile, as I said, the consumers were paying 8 cents a pound for cabbage that was bringing the farmers in many instances less than a cent a pound.

I believe one of the fundamental causes of this difficulty was the absence of any floor prices to prevent the price received by the farmers for crops requested to be grown in large quantities by the War Food Administration from going even below the cost of harvesting, let alone the total production costs.

In a recent broadcast, Judge Marvin Jones, head of the War Food Administration, stated that, in his opinion, there should be such floor prices provided by the Government on farm crops where ceilings are imposed and where the Government asks for increased production. I heartily agree with this. Nor do I think such floor prices ought in any case be lower than the ceiling price of the commodity. Such floor prices should be announced before the planting season, of course. And if necessary to prevent the waste of any food, there should be direct Government purchases at the floor price.

There is another standpoint from which this is important, because in the past season it has unfortunately been true that many of the farmers who have grown the crops that were requested and were needed from the standpoint of the war needs had a much harder time, and in some cases actually lost money on those crops, whereas the farmers who did not cooperate and who grew nonessential crops made a very considerable amount of money.

May I suggest at this point, in view of the interest that the Congress has shown in trying to get people of experience into Government agencies, notably the O. P. A., that I would like to see us have some people with experience in agricultural production, in farming, brought in also. It is my opinion that the experience that most of the people have had who work in the field of food in the Government agencies is much more likely to be experience in the handling, distribution, and brokerage of food and food products than in their actual production. I think there is needed the influence of some farmers.

LIVESTOCK AND LIVESTOCK PRODUCTS

Throughout the whole field of livestock and livestock products, including in our section principally milk, eggs, poultry meat, and rabbit meat, producers have been caught in a squeeze between the ceiling prices fixed for their products on the one hand and increased feed costs on the other. This is aside from the actual feed shortage against which every agency has to work with all the vigor at its command.

Increased costs of production, however, are largely responsible for the present crisis in the dairy industry. In Los Angeles County costs of production have increased 10½ cents per pound of butterfat to the dairyman since last April. The

demand of dairymen in that area for a higher price is the direct result of this incontrovertible fact and something has to be done about it. The same case can be made with regard to other livestock producers.

I am extremely hopeful that in the very near future O. P. A. will permit an increased ceiling of 3 or 4 cents a pound on rabbit meat in view of the sharp increase in feed costs which rabbit producers have had continually to face. In view of the feed shortage it is, of course, obvious that it would be unwise policy to fix ceilings on feed at a figure which would discourage maximum production, but there has obviously got to be some relation between the price of the final product and the cost of production in all these matters. This increase in the price received by rabbit producers can be granted without increasing the price to consumers because dealers' margins have been fixed at a higher figure than is at all necessary.

While I am on the subject of our California rabbit industry, I want to vigorously protest against a proposed order of O. P. A. which would have forbidden farmers from selling this meat directly to neighborhood consumer purchasers. This is something they have done through all the years this industry has been in existence. The basic act creating the Office of Price Administration forbids the use of its powers to compel changes in business practices or means or aids to distribution established in any industry. That is in the law. This order if issued by the O. P. A. would therefore be contrary to law and an utterly unwarranted concession to the middlemen in the industry who for years have exercised an economic power over the producers which was extremely harmful. Indeed such an order by O. P. A. would have given them a complete monopoly of the situation through the action of a Government agency.

The purpose of the O. P. A. is to keep down prices to consumers, not to interfere with methods of distribution of farm commodities which are effective in cutting down the margin between the producers' receipts and what the consumer has to pay.

I am very glad to report to the House that a letter just received from Mr. Bowles assures me no such order as this will be issued. It was, however, proposed and what I have had to say regarding it is in the nature of a warning against any such unwarranted extension of O. P. A. powers.

Mr. COFFEE. Will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Washington.

Mr. COFFEE. I just want to commend the gentleman for his very well-considered speech on the subject of vital problems confronting the American people today. I found in my district the same reaction as evidently he encountered, and I hope time will be accorded him to elaborate on the subject of dairy production, because I know many Members are vitally concerned with that problem.

Mr. VOORHIS of California. I am very much obliged to my good friend and very able colleague from Washington. I may say that the California delegation is making a study of that very question right now, and I am one of the members of the subcommittee preparing the report, which is the reason I did not go into more detail about the matter at this time than I did.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Illinois?

Mr. MASON. May I observe that if the gentleman's recommendation that production-experienced men be taken on in O. P. A. were followed, it would, I believe, tend to cure the trouble of establishing these prices up here and neglecting the production of the substances themselves.

Mr. VOORHIS of California. I think that is correct, and I thank the gentleman. I have a great deal of sympathy for the O. P. A. I think they have the hardest job of any Government agency. But I believe we need that producer influence very badly.

The SPEAKER pro tempore. The time of the gentleman from California has expired.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to proceed for 4 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VOORHIS of California. One thing which should be basic to all the relationship of Government agencies to the farmers is frankness and directness. For example our California poultry industry is now asking one simple question—a question that should receive a simple and prompt answer. The poultrymen have written and asked: What does the Government want us to do in the coming year, what production—whether of eggs or meat?

It is no wonder they have done so. For a year or more ago they were being urged to increase the production of meat poultry in order to help make up for the shortage of other meats. They did so, bought baby chicks, prepared to raise them for fryers and broilers. Then, all of a sudden, the ceiling price was dropped from 33 cents to below 30 cents, even on the west coast where costs are substantially higher than elsewhere. At the present ceiling only the most efficient producers can stay in the meat-poultry business. Dealers who had poultry meat on hand were allowed 120 days in which to dispose of it at the old ceiling prices. But the producer was not allowed any such time at all to liquidate at the old ceiling price the stock he was raising.

All this puzzled us very much.

But, finally, it began to leak out that the real reason for these low-ceiling prices was the feed shortage. It was an indirect way of getting people out of the meat-poultry business.

Now, that is the wrong way to do things. What should have been done was to make a frank announcement that

there just was not enough feed, that after a certain date there should be no further expansion of meat-poultry production. Then having given enough time for farmers to work out their investment in their birds a lower ceiling might have been put on—with adequate notice of such action having been given.

So, it is understandable why California poultrymen should ask this very simple question.

Government agencies should not try to accomplish things by indirect methods. They should come right out and say what the objectives and the needs are.

MIDDLEMEN'S MARGINS UNDER O. P. A.

By this time it is possible that I will have given the impression that I have no concern about keeping down prices to consumers, and am only interested in producers' income. This is not the case at all. My concern is for maximum production and also for an effective control of the cost of living. It is, however, my sincere conviction that a reexamination of the margins allowed to middlemen all down the line and a vigorous enforcement to make sure that such middlemen do not overcharge retailers would be the most effective thing that could be done toward reducing living costs. I am even convinced that in the case of many food products, living costs to consumers could be actually reduced and at the same time returns to producers could be increased if these middlemen's margins were reexamined and properly adjusted.

For example, I have already spoken of the case of cabbage where during last summer consumers were paying as high as 8 and 9 cents per pound while farmers were receiving less than 1 cent. I now come, however, to certain observations with regard to poultry. In the past the ordinary margin between the price paid to the poultryman and the price charged to the retailer on eggs was 4 to 5 cents per dozen. This margin included picking up the eggs, candling them, grading them, and taking them to market. At certain times of the year, notably in the fall, this margin ordinarily went down as low as 2 or 2½ cents. At present, however, a fixed margin is allowed by O. P. A. which includes not only the 4- or 5-cent margin but also 10 cents per case charge to the poultryman for handling and a transportation factor in addition. This means then that the margins between producer and consumer as the result of O. P. A. action are greater than they have been in normal times. Certainly that is far from desirable.

It is also true and this is one illustration of the need for some decentralization of this authority, a subject which I shall discuss further in a minute, that the poultry industry in California has for years sold its products on the basis of grades established by California law. Attempted substitution of much more complicated Federal grades has complicated the situation and furthermore has enabled middlemen to get higher prices for a couple of grades of eggs above the regular California grades, which higher prices were not reflected at all in what was paid to poultrymen.

Poultrymen are not complaining about the price schedule for eggs contained in table A of Maximum Price Regulation 333. They do feel, however, that the imposition of the increased margin to the middlemen is unjustified and they point out that whereas O. P. A. regulations are guaranteeing middlemen a wider margin than they ever had before in the fall of the year when eggs are scarce and when generally a sellers' market would pertain so that the margin would normally be reduced, nevertheless there is nothing in the regulations to guarantee that in the spring of the year when eggs are plentiful middlemen purchasers of eggs will not force down the price paid to poultrymen at the ranch and take for themselves the extra margin. In other words, they contend that if the margin is to be increased in the fall over what it normally would be, it ought to be prevented from becoming wider in the spring.

Finally, on the subject of poultry, one of the main things that is needed is an order on egg prices which can be understood by both poultrymen and consumers. The present orders are said to be so complicated that consumers do not know what they ought to be paying for eggs, nor do poultrymen know for sure what they are entitled to receive for their products at their ranches. Above all, it is important in the case of poultry, as in the case of milk, that producers should be assured that either their costs of production are going to be prevented from continually increasing or else that the prices they will receive will adequately reflect such changes in production costs.

Returning, however, to the question of middlemen's margins, I want to give the outstanding illustration with regard to this matter which is found in the case of citrus fruit.

Ordinarily in normal times it has been possible to reduce the number of middlemen handlers of citrus so as to reduce also the margin existing between returns to the grower and the price paid by consumers. Under present Government regulations, however, exorbitant percentage margins are allowed to a first and second handler of this fruit. These margins amount to 9½ percent in the case of first handlers and 21 percent in the case of second handlers who deliver to retailers. Of course, what has happened has been that whereas in the past there were many instances where there was only one such handler buying direct from producers and selling to retailers, there have now sprung up a tremendous crop of both first and second handlers.

Furthermore this method of fixing price on the basis of percentage margin to middlemen makes it utterly impossible for consumers to know what ceiling price they are supposed to pay for oranges, for example, and it is obvious that no method of price control is adequate unless the consumer knows what he ought to be paying. The fact is that on a carload of oranges bringing \$3.99 f. o. b. to the grower, carrying a 1½-percent brokerage fee and costing approximately \$1.25 for freight and icing, the first han-

dler is allowed a 9½-percent mark-up, not alone on the price received by the grower, but on all these additional costs. And on top of that the second handler received a 21-percent mark-up on whatever price he pays to the first handler, which price of course includes the first handler's mark-up. Consequently, on a carload of 582 boxes it is possible for first and second handlers to receive a margin of \$1,099.98. This compares with normal margins for the handling of a carload of citrus of approximately \$75 to \$100. And while it has, I believe, seldom happened that handlers have taken margins as large as that, they are making as high as \$500 per car right along. The consequence of this is to give these handlers so large an amount of surplus profit that they can use it for black-market operations. This constitutes the most serious threat to all of our cooperative-marketing organizations upon which the growers of citrus fruit have relied for their very existence throughout the years. I shall not go into detail as to just how these operations are carried on, except to say that wholesalers are now attempting to buy out whole packing houses in California in order to be able to take advantage of the huge margins allowed.

Obviously, what ought to be done is that a definite understandable consumer ceiling price should be fixed for citrus fruit and middlemen's margins should be reduced sharply either by permitting competitive conditions to fix the amount of these margins without any fixed mark-up being allowed, or else by fixing a definite dollars-and-cents amount of mark-up per box of fruit instead of a percentage mark-up which makes possible these exorbitant profits. It is, in my judgment, unquestionably possible, if this is done, to reduce the price of citrus fruit to the consumer and at the same time to give to the farmer who produces it a better price than he is now receiving. Incidentally, the price of oranges has been kept below parity price all the way through in spite of what Congress wrote into the law upon this point.

To summarize, I have to emphasize once again that farmers recognize and accept the importance of O. P. A. as a means of controlling prices paid by consumers for food products, but that it is an indefensible situation when prices to producers are held at levels which do not always reflect cost of production, and when at the same time prices to consumers are neither understandable in all cases nor controlled to a point where they would allow only a reasonable mark-up over what the producer received.

I could go on and cite other instances of the excessive power over producers and retailers alike which is being exercised by those who control the bottlenecks of distribution. I could cite instances of retail meat dealers being forced to take, and to give points for, such things as animals' feet, bacon rind, and headcheese, if they are to have any meat delivered to them at all.

The significance of my remarks, however, can be briefly summarized. Name-

ly, that if we are to do justice to both consumers and producers there must be a readjustment of the margins allowed to middlemen, who, at certain points, control our entire food supply.

Farmers can be hurt as much by too high prices to consumers which cut down their total market, as by too low prices at the farm.

DECENTRALIZATION

In consideration of this whole problem of national food production, there is one other factor of paramount importance, and that is the necessity for a decentralization of authority out of Washington into the various regions and districts of the country. I am encouraged to find that the O. P. A. is already taking some steps in that direction.

During the time that I was at home I telegraphed and wrote to the War Food Administrator and the O. P. A. expressing my most earnest conviction that such decentralization must take place. I received a most constructive response to these appeals. But the decentralization must go to a point which is consistent with the language of the Emergency Price Control Act of 1942 where it says, and I quote:

That modifications shall be made in maximum prices established for any agricultural commodity and for commodities processed or manufactured in whole or substantial part from any agricultural commodity, under regulations to be prescribed by the President, in any case where it appears that such modification is necessary to increase the production of such commodity for war purposes, or where by reason of increased labor or other costs to the producers of such agricultural commodity incurred since January 1, 1941, the maximum prices so established will not reflect such increased costs.

In my judgment district directors of War Food Administration, O. P. A., and other Government agencies have to be given both the power and the responsibility to meet local conditions in such fashion as to avoid any waste of food products, to encourage maximum production, and to prevent profiteering at any point.

Over and over again I have found that local Government officials have seen clearly the problems existing in our section of the country and have been altogether ready to take action to correct those conditions, and that could have been done had it not been necessary for them to refer every decision back to the Washington office.

Another instance of the need for decentralization is found in the marketing of eggs. In January of this year the antitrust division of the Department of Justice secured a consent decree against the Produce Exchange of Los Angeles which required that all eggs in that market be bought and sold only on the basis of the grades established by California law. And the original price ceiling order on eggs provided for the use of grading systems which were in effect in the various parts of the country. In California the whole industry is accustomed to doing business on the basis of the State grades, and price ceilings related to them could be readily and easily enforced.

But Congress and O. P. A. have said no. Congress passed a sweeping prohibition against any grading of farm products—a measure which, if carried out, would rob poultrymen of every vestige of security they have ever had. Previously O. P. A. had come along with an order requiring that all over the country only Federal grades should be used.

This attempt to literally put all the Nation's eggs into one basket could not be effectively or fairly enforced, and confusion resulted. Meanwhile O. P. A. began to be concerned about the action of Congress and wondered whether any grades could be used at all. The consequence of all this was very great confusion.

But the solution is very simple. The O. P. A. in California should be able to simply issue an order directing the use of the State grading system in that State—just as has been done through the years.

PROTECTION OF LIVING STANDARDS

It is altogether true as the President and others have emphasized repeatedly that while America fights this war, costs of living must not be permitted to take from American families what they need for health and basic welfare. A means of assuring this has been offered to the Congress in a bill which I myself introduced along with other members of the House and Senate. It provides a national food-allotment program for all families whose incomes relative to the number of members of the family are inadequate to enable them to purchase the food needed for an American standard of diet. Rationing should work two ways, in my judgment. First to prevent anyone from getting more than his share of scarce commodities, and second to be sure that everyone does get at least a minimum share. If we establish this floor for our Nation under the food budgets of our people we could then proceed to decide questions having to do with food production on the basis of equity and the securing of maximum production of the vital element in success in war and peace.

And finally so far as the inflation problem is concerned, it must be attacked at its root cause which is the relation between the money supply and the available supply of consumer goods, rather than merely through its effects. And it must always be remembered that the one greatest guarantee against the possibility of inflation is abundant production and a market adequately stocked with the products which consumers wish to buy.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Michigan.

Mr. HOFFMAN. I wish the gentleman would tell me how we can help raise this standard of living.

Mr. VOORHIS of California. I did not talk about raising the standard of living. I said that rationing ought to work two ways, and the second way was that each American family should be able to have such food and other necessities as they need for health and decency.

Mr. HOFFMAN. The gentleman is right in that. In my district we have celery, onions, and grapes for food, and we have apples.

Mr. VOORHIS of California. If the gentleman had been here during my remarks, he would have found that I discussed matters in my section, which are on all fours with his problem right there.

Mr. HOFFMAN. Yes; but how are we going to get our stuff out?

Mr. VOORHIS of California. I made some suggestions about that, too.

The SPEAKER pro tempore. The time of the gentleman from California has again expired.

The SPEAKER pro tempore. Under special order of the House previously agreed to, the Chair recognizes the gentleman from New York [Mr. EDWIN ARTHUR HALL] for 25 minutes.

FOOD PRODUCTION

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I listened with a great deal of interest to the gentleman from California [Mr. VOORHIS], in his discussion about some of the regulations and the ceiling prices that the Office of Price Administration has placed on various groups in the country. I am going to talk today about the greatest crime ever imposed not only upon the farmers of my district, but upon the American people, and consumers. That is the ceiling price which the O. P. A. placed on corn. Among other things, this has made it impossible for the Midwest farmer to get enough corn into the East to feed the dairy cattle and the poultry flocks of my section. I say that it is the greatest crime that was ever imposed upon the American consumer for this reason, that the consumer, by October, is not going to get enough milk to drink, and he is not going to have enough eggs and other dairy products to keep him alive. Of course, if he expects to depend on all of the ham and pork and sausage and all the other products from the hogs of the Middle West to keep him alive, perhaps he can do it. But he is not going to have the most important products that he can possibly consume; milk and the rest of the dairy products, which he must have for a balanced diet. I say that due to the persistent and determined effort on the part of some of these officials—and I make bold to say they do not know any more about farming than a 3-year-old boy, nor could they be elected dog catcher any place in the United States—due to their determined effort and their regulations placed on the dairy men in my section, and in the whole country, we are going to be without food in another month.

I make that prognostication, and I say that it is the most serious situation the country has ever faced. It could easily have been averted if this House had gone along with the Senate before we took our recess in July and passed the bill which was before the Senate and which passed the Senate making the ceiling price on corn \$1.40 a bushel instead of \$1.06, which the O. P. A. has stubbornly insisted on maintaining.

Mr. CURTIS. Mr. Speaker, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield.

Mr. CURTIS. I would like to offer an observation with reference to the corn situation in my own home town. The ceiling price on yellow corn to the farmer was 92 cents a bushel. The elevator can sell it under the ceiling price for \$1.09. There is not an elevator that wants to make 17 cents a bushel. Three or four cents is the usual profit. They could normally pay the farmer \$1.05 for corn instead of 92 cents, and still not raise the ceiling that the elevator can sell it for. There will be also the situation where the ceiling price in one town will be 20 cents a bushel lower than in a town less than 20 miles away.

Mr. EDWIN ARTHUR HALL. Well, I have one suggestion to the gentlemen from the Middle West, who represent these corn areas, and that is for them, if they are able to do it, to get the corn to us as fast as they can get it, or they will not have enough milk to drink, and the armed forces will be out of luck, so far as food is concerned. Yesterday we passed a bill here appropriating \$18,000,000 to take care of expectant mothers and infants of soldiers—men in the armed services—and we are not going to be able to supply them milk unless we can get corn from the Middle West. Whether it be the fault of the bureaucrats or the farmers in the Middle West, the situation is grave and it is high time that the country woke up to the fact that the consumer is not going to have enough milk or any other dairy product. I hope this House will take some kind of action in order that the dairymen of the Northeast—the forgotten men in this whole program—will be taken care of. I am getting sick of having farmers from my district come to me and say that the Government had better get busy or they will have to go out of business, and unless those middle western farmers give us some corn we will be out of luck, so far as feeding the dairy cattle and the poultry flocks go.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. Yes.

Mr. HOFFMAN. If I understood the gentleman correctly, he said a moment ago that unless some change was made, people were going to be hungry, or at least there would be a lack of a balanced diet. Let me assure the gentleman that the people in the Fourth Congressional District of Michigan, and also I believe in the district of the gentleman from Pennsylvania [Mr. Gross] will look out for themselves. We do not intend to be hungry. This summer our people were canning everything they could get their fingers on. They canned cherries, and peaches, and pears, and corn, and beans, and tomatoes, and they are drying corn and other vegetables.

They are digging holes out in the yard and putting cabbage, carrots, beets, and rutabagas in those pits. So we are not going to be hungry; but those poor fellows in the cities who get it out of a tin can and the fellows who work in the factories, the leaders of whom are back of this plan that the President has on hand to force subsidies on us, will be hungry.

Mr. EDWIN ARTHUR HALL. I will say to the gentleman that the point I am making is that it is high time the Government saw to it that our farmers up there in the Northeast got some relief. They are the very last to be considered, no matter where you go in the country. The dairymen of the Northeast are the very last to be considered, as far as fair treatment down here goes. I do not know what the reason is. Maybe it is because we are all Republicans up there.

Mr. HOFFMAN. I disagree with the gentleman. Does the gentleman know of anyone who is getting any consideration?

Mr. EDWIN ARTHUR HALL. Well, I know that at least you people in the Middle West have enough corn to feed your hogs. You are getting a good price for hogs.

Mr. HOFFMAN. We grow it out in the fields. You dig in the dirt and you can get it.

Mr. EDWIN ARTHUR HALL. As far as we are concerned, they are going to drive the dairymen of the Northeast section out of business.

Mr. HOFFMAN. They are planting a milk weed out in our country to get this floss to make something for the Navy.

Mr. EDWIN ARTHUR HALL. The whole thing is that these people who are regulating prices are not on the job and they do not understand the situation they have to deal with in the different sections of the country.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield.

Mr. AUGUST H. ANDRESEN. I am sure the gentleman does not intend to blame the farmers of the Middle West for the lack of corn up in his territory.

Mr. EDWIN ARTHUR HALL. I do not know. The gentleman from Nebraska [Mr. CURTIS] said they do not need the ceiling price raised. If that is the case I am afraid the responsibility rests with the corn farmer.

Mr. AUGUST H. ANDRESEN. I just want to point out to the gentleman, and he can verify it, that in the year 1943, this year, there was a restriction on the amount of corn that the farmers of the Midwest could plant. They were limited to a certain acreage. If they increased that acreage, without planting other war crops specified by the Department, they were denied any benefits under the A. A. A. They were also encouraged to raise more hogs and livestock and dairy products. But still they lived under this scarcity program and did provide feed not only for their own livestock but for the gentleman's farmers in New York.

Mr. EDWIN ARTHUR HALL. I assume the gentleman knows what he is talking about, but every report I have had is that there is plenty of corn out there. We all know that all we are getting to eat now are pork products, as far as meat goes. You cannot get any beef on the legitimate market. You cannot get enough to feed your family if you have a good-sized family. It is going to be increasingly worse. There is just one situation as I see it.

Apparently the Middle West farmers are putting all this corn into pork and raising pigs, and we in the northeastern section of the country are completely out of luck when it comes to getting enough corn to feed our increased production of livestock.

Recently I think it was the head of the dairymen's association made the statement that if they could not get some corn there soon they would have to kill off a great many of the dairy animals that they had raised in their increased production quotas. I will say to the gentleman that such a thing would be disastrous as far as the food for victory program goes. It will not be serious for our section, because our farmers are going to continue to live, like the farmers out in Michigan and in Pennsylvania. They are going to continue to milk their cows and they are going to eat first hand. They are going to drink the milk and get the dairy products from their own farms first, and the consumers in the cities are the ones who will suffer over this whole situation.

Mr. AUGUST H. ANDRESEN. Will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield.

Mr. AUGUST H. ANDRESEN. Certainly the gentleman from New York does not blame the midwestern farmers for all his troubles?

Mr. EDWIN ARTHUR HALL. I do not want to blame anybody, but I understood the gentleman from Nebraska to be opposed to raising the price ceiling on corn.

Mr. CURTIS. The gentleman misunderstood me. I do not want to be misunderstood as saying that a raise in the ceiling price is not necessary. This thing is run by zones, and in some of the zones they have so set the ceiling that there is a 17-cent spread between what the elevator can sell it for and what they can pay the farmer. That is at least 13 cents too high. That is not true in all of the areas, but it is true in some. I doubt very much if the gentleman is correct in his statement that there is plenty of corn.

Mr. EDWIN ARTHUR HALL. I think there is plenty, from all the information I have received. The point I am insisting upon is this: Are the dairy farmers of the Northeast going to get enough corn to feed their cattle or are they not?

Mr. CURTIS. No; you are not going to get enough.

Mr. EDWIN ARTHUR HALL. What is the reason they are not getting enough? I have maintained all along that the ceiling price of corn was not high enough. One of the gentlemen rises today and says I am not correct in saying that. In my opinion there is only one conclusion, and that is the middle western farmers cannot get the corn to us at that price. I want to know why it should not be made possible for them to get it to us. We want that corn because we have to feed our dairy cattle and our poultry. We are going to have to feed the cattle if we expect to get enough milk to feed these infants and the armed forces and everybody else that we are in duty bound to feed in this Food-for-Victory program.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield to the gentleman from Iowa.

Mr. JENSEN. Does not the gentleman realize that for a period of about 20 years before Pearl Harbor the farmer's dollar of the country was worth 80 cents, approximately 80 cents, and during that period consequently less—the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] reminds me that it was less than 80 cents. All right, consequently the American people, the consumers of the farmer's goods, were jumping about 20 percent of their board bill to the farmer, were they not?

Mr. EDWIN ARTHUR HALL. I cannot yield further; I only have a few minutes.

Mr. JENSEN. The gentleman asked my why, or asked somebody why, and I am trying to give him the reason why. Now today we are getting around \$1.25 to \$1.30 a bushel for corn.

Mr. EDWIN ARTHUR HALL. But the corn cannot be had.

Mr. JENSEN. So, for the first time in 25 years, or about 20 years, or perhaps 25 years, the American farmer has got the cost of production. The ceiling price on corn in my district is 92 cents a bushel at the present time.

Mr. EDWIN ARTHUR HALL. Then why cannot we get the corn at \$1.07?

Mr. JENSEN. If you would pay \$1.07 to the farmer—

Mr. EDWIN ARTHUR HALL. We are willing to pay \$1.07 if we can get the corn. We are willing to pay more than that. There are many people in my section of the country who cannot get corn, who need corn and must have it if we are to do our part in meeting the food demands. I say that there is a responsibility resting on the farmers in the Middle West, or the Office of Price Administration to see that we get it.

I, for one, am here representing a dairy-farmer section of up-State New York and I say that we have a situation there bordering on disaster for the entire East. Millions and millions of Americans are dependent upon our efforts to produce this food. We have got to have some corn to feed our cattle and chickens, to produce milk and eggs. I say we have got to have corn.

Mr. JENSEN. Will the gentleman yield? He asked for an explanation and I want to give it to him.

Mr. EDWIN ARTHUR HALL. I have had explanations, but they are unsatisfactory.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield, so the gentleman from Ohio [Mr. RAMEY] can make the explanation?

Mr. EDWIN ARTHUR HALL. I cannot yield any further; I have got to conclude my statement.

Mr. HOFFMAN. Mr. Speaker, the gentleman said he was going to yield to the gentleman from Ohio.

Mr. EDWIN ARTHUR HALL. I will yield briefly to the gentleman.

Mr. RAMEY. The gentleman made the statement that it was because the men who had been regulating these affairs were so inefficient and so unmindful of public affairs that they could not

even be elected dog catcher in their communities.

Mr. EDWIN ARTHUR HALL. Yes.

Mr. RAMEY. You put it on those who have been in Congress for a long while, all those who have left the country in this situation before we new Members arrived here.

Mr. EDWIN ARTHUR HALL. I would say to the gentleman from Ohio that I am willing to back him to the limit in any move he makes to remedy the situation.

Mr. RAMEY. But you have referred to the Congress that we were allowing the country to be run by bureaucrats. At least the new Members are not responsible. Perhaps not the old ones either. Can Congress now save the situation, and, if so, how?

Mr. EDWIN ARTHUR HALL. Yes; and I will say to the gentleman, that I will back him to the limit in any measure that he wants to bring before the Congress to curtail the power of some of these bureaucrats.

Mr. RAMEY. You say that you have a most criminal situation in regard to the farmers in your section?

Mr. EDWIN ARTHUR HALL. We have.

Mr. RAMEY. May I ask the gentleman if he has ever visited Middle Bass Island, Lake Erie, Ohio? Will he come up and visit our island where we have steamboats inspected by inspectors that could not run a boat as well as the islanders? Yet men who know nothing of the problems of the islands of Lake Erie or the tragic boat problem, have placed unjust fines on the mystic isle? At least your people are not in the center of one of the Great Lakes.

Mr. EDWIN ARTHUR HALL. I cannot yield any further to the gentleman. But may I say I am in hearty agreement with what you have to say; I agree with the gentleman entirely, but I hope he does not blame me for any of these bureaucratic measures.

Mr. RAMEY. You put it on us before we came here.

Mr. EDWIN ARTHUR HALL. I am not blaming you, and I hope you will not blame me, and I will say this, that I will back any proposal that the gentleman will bring out that will curtail the power of these individuals whom I have said, and I repeat, could not be elected dog-catcher in any section of the land. The gentleman from the West has not addressed the Chair; he just started to speak and goes right along without recognition.

I will yield for one more observation on the part of the gentleman from Iowa, then I shall have to proceed.

Mr. JENSEN. A lot of the gentleman's people want roll-backs; they want subsidies, they want the farmer subsidized, they want the Government to give them hand-outs.

Mr. EDWIN ARTHUR HALL. A lot of my people?

Mr. JENSEN. I do not know whether they are in the gentleman's district, but New Yorkers, some folks in the cities, anyway; they want this Government to pay the bread bill that the farmer has been kind of handing out for the last

20 years. I do not want the gentleman to blame the farmers of Iowa or any other State for the fact that he is not getting corn.

Mr. EDWIN ARTHUR HALL. I do not want to appear to be blaming anybody when I make the statement that if the Middle West can afford to sell corn at \$1.06 I think they ought to make it available to us.

Mr. CURTIS. Mr. Speaker, will the gentleman yield briefly?

Mr. EDWIN ARTHUR HALL. I yield.

Mr. CURTIS. The gentleman may be surprised to know that in the Middle West the farmers, feeders, and stockyard people are not able to get corn any more than farmers in the gentleman's district can get it.

Mr. EDWIN ARTHUR HALL. I do know this, that we cannot get it up in my section. We have a lot of dairy herds in my part of the country. I have been around a great deal this summer and feel that I am fairly qualified to speak for some of the people up in my district who run dairy farms. Out of the 43 granges in my district, I visited 38, and I had the same story from the lips of every good dairy farmer that I talked with, that he was unable to keep on with the Food-for-Victory program, he was unable to meet the obligations that President Roosevelt and the Government had placed upon him and that they expected of him. Every dairyman told me that since his responsibilities, according to them, had increased threefold, he did not know how he was going to shoulder them because he was unable to feed the civilian population under the present difficulty, to say nothing of the number of men in the armed forces and the number of allies that we have dedicated ourselves to feed.

The dairy farmers in the Northeast, as I have said, are the forgotten men of the entire program; they are the last to be considered whenever you bring anything here on the floor of the House, legislation of any kind which is designed to improve their situation. You meet with untold opposition from all sides, from consumer groups and from other sections of the country, whenever you try to help northeastern agriculture. I was accused not long ago of being motivated by the farm bloc in some of the proposals I made before the House—the farm bloc, mind you.

Mr. JENSEN. Who is the farm bloc?

Mr. EDWIN ARTHUR HALL. Who is the farm bloc? I cannot say, because I have never been approached by anybody that had anything to do with this mystical farm bloc that our friends in the agencies of expression throughout the country want to discredit as pressure groups among the farmers. Frankly, I do not know who constitutes the farm bloc. It is an insult to us, to the people of my district, to the people in the granges, to the people in the farm organizations—it is an insult to call them members of the farm bloc because they are simply patriotic farmers that are trying to better the conditions of the northeastern farmers who have the great responsibility of trying to produce

dairy products for this new defense program. I will say to you gentlemen today that unless they get some cooperation, unless the Government can do something for them in the way of getting corn to them they are going to be absolutely bereft of all their dairy cattle and their poultry flocks, and they are not going to be able to meet their requirements and their responsibilities.

Mr. ANTON J. JOHNSON. Mr. Speaker, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield.

Mr. ANTON J. JOHNSON. I am wondering if the very able gentleman from New York is aware that one of the causes of this shortage of corn that he cannot get and our neighbors out near the Corn Belt itself cannot get is due to the commercial uses of corn.

Mr. EDWIN ARTHUR HALL. All I know is that you cannot buy anything but pork chops and ham bones and sausages in any market wherever you go.

Mr. ANTON J. JOHNSON. Let us thank God that we are going to have that much.

Mr. EDWIN ARTHUR HALL. Maybe we should.

Mr. ANTON J. JOHNSON. Let us thank God for it. I just wonder if the gentleman realizes that one reason we cannot get the necessary feeds—and we are sympathetic with him, we would like to help him—

Mr. EDWIN ARTHUR HALL. I know the gentleman would.

Mr. ANTON J. JOHNSON. The truth is that up until just a few years ago a large part of corn went into alcohol, industrial and beverage. Recently, in the last few years, industrial alcohol has been distilled entirely from imported blackstrap molasses, shipped in here at a price that corn could not compete with. But they found they had to go back to grain, had to reconvert, and now the ships that brought the molasses up the eastern seaboard no longer bring blackstrap and they are taking away from us now the corn that previously they would not buy.

Mr. EDWIN ARTHUR HALL. I thank the gentleman for his observation.

Mr. Speaker, I want to make one more point. I desire to serve notice on the O. P. A. and all the rest who are responsible for blocking us in the Northeast, the dairymen and poultry farmers and so forth, from getting the feed necessary to meet our obligations. I am far from being a free-trader. I am probably the last man in the world who would advocate bringing in corn or anything else from foreign countries. But I am going to advocate deliberately, I may say, if we cannot get corn from the Middle West, bringing it in from South America or anywhere else that we can get it. We have got to have it.

The SPEAKER pro tempore. The time of the gentleman has expired.

ELIMINATION OF PRIVATE SUITS FOR PENALTIES AND DAMAGES ARISING OUT OF FRAUDS AGAINST THE UNITED STATES

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to take from

the Speaker's desk the bill (H. R. 1203) to eliminate private suits for penalties and damages arising out of frauds against the United States, with Senate amendments thereto, disagree to the Senate amendments, and agree to a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. SUMNERS]?

There was no objection; and the Speaker appointed the following conferees on the part of the House: Messrs. SUMNERS of Texas, WALTERS, and HANCOCK.

PREVIOUS ORDERS

The SPEAKER. Under previous order of the House, the gentleman from Wisconsin [Mr. MURRAY] is recognized for 20 minutes.

Mr. MURRAY of Wisconsin. Mr. Speaker, in order to approach the milk problem it should be worth while to get a picture of the milk production of our Nation. The following official table, computed by the Bureau of Agricultural Economics of the United States Department of Agriculture, shows the milk production by States:

Milk production

State	Milk production in each State as percentage of total, 1942	Sales of milk from farms or its equivalent (millions of pounds)	Average returns		Gross income from dairy products (in thousands)
			Per 100 pounds milk	Per pound butterfat	
Maine.....	0.53	513	\$3.22	77	\$20,104
New Hampshire.....	.29	308	3.18	82	10,855
Vermont.....	1.23	1,373	2.75	67	39,469
Massachusetts.....	.69	745	4.03	103	32,292
Rhode Island.....	.11	126	3.68	96	4,899
Connecticut.....	.60	656	3.84	98	26,705
New York.....	6.95	7,634	2.91	76	233,661
New Jersey.....	.86	965	3.94	104	39,860
Pennsylvania.....	4.21	4,419	3.13	81	153,247
North Atlantic.....	15.47	16,748	3.12	80.6	561,062
Ohio.....	4.22	4,309	2.62	64	128,325
Indiana.....	2.97	3,036	2.52	58	86,574
Illinois.....	4.63	4,775	2.33	60	125,248
Michigan.....	4.44	4,619	2.39	60	122,157
Wisconsin.....	11.94	13,264	2.10	58	289,376
East North Central.....	28.20	30,003	2.30	59.3	751,680
Minnesota.....	7.62	8,252	1.72	46	151,253
Iowa.....	5.82	6,100	1.66	44	111,647
Missouri.....	3.20	2,982	2.12	50	78,804
North Dakota.....	1.95	1,894	1.50	40	33,622
South Dakota.....	1.57	1,547	1.52	40	27,362
Nebraska.....	2.49	2,430	1.60	42	45,610
Kansas.....	2.79	2,744	1.80	46	57,746
West North Central.....	25.44	25,949	1.72	44.8	506,044
Delaware.....	.13	133	3.09	79	4,753
Maryland.....	.83	858	3.45	88	33,377
Virginia.....	1.36	939	3.02	74	47,486
West Virginia.....	.70	445	3.02	72	24,330
North Carolina.....	1.29	297	3.31	75	45,757
South Carolina.....	.49	237	3.87	88	22,405
Georgia.....	.94	424	3.41	79	37,770
Florida.....	.30	280	4.76	111	16,613
South Atlantic.....	5.95	3,916	3.38	79.9	213,491

Milk production—Continued

State	Milk production in each State as percentage of total, 1942	Sales of milk from farms or its equivalent (millions of pounds)	Average returns		Gross income from dairy products (in thousands)
			Per 100 pounds milk	Per pound butterfat	
Kentucky.....	1.80	1,333	\$2.32	54	\$48,888
Tennessee.....	1.75	1,274	2.51	57	51,767
Alabama.....	1.09	440	2.92	66	37,527
Mississippi.....	1.14	673	2.54	56	34,194
Arkansas.....	1.23	789	2.27	53	32,968
Louisiana.....	.55	340	3.29	75	21,415
Oklahoma.....	2.25	1,899	2.01	47	52,640
Texas.....	3.72	2,823	2.62	60	114,485
South Central.....	13.53	9,571	2.45	56.1	393,864
Montana.....	.63	601	1.99	51	14,491
Idaho.....	1.15	1,199	2.09	53	27,850
Wyoming.....	.26	244	2.08	54	6,147
Colorado.....	.91	882	2.01	53	20,947
New Mexico.....	.26	228	2.55	64	7,640
Arizona.....	.21	208	2.80	73	6,758
Utah.....	.52	519	2.18	57	13,059
Nevada.....	.10	102	2.31	61	2,561
Washington.....	1.78	1,851	2.55	62	52,413
Oregon.....	1.24	1,271	2.64	59	37,720
California.....	4.35	4,815	2.94	77	148,042
Western.....	11.41	11,920	2.58	65.5	337,625
United States.....	100.00	98,117	2.38	60.1	5,783,786

It will be noted that Wisconsin, in 1942, produced over one-eighth of the milk and milk products sold in the United States, or 13,264,000 pounds of the 98,117,000 pounds produced in the entire United States.

It will be further noted that Wisconsin alone produced more milk than the 11 Western States consisting of Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Utah, Nevada, Washington, Oregon, and California, the combined milk production of which States was 11,920,000 pounds.

It is interesting to note that Wisconsin alone produced three times as much milk as the South Atlantic States including Delaware, Maryland, Virginia, West Virginia, North Carolina, South Carolina, Georgia, and Florida.

Wisconsin alone produced more than 25 percent more milk than the South Central States which include Kentucky, Tennessee, Alabama, Mississippi, Louisiana, Oklahoma, and Texas.

Wisconsin alone produced more milk than the New England States and include New York and New Jersey.

Since this great percentage of milk is produced in a comparatively small number of States, with Chicago as the dairy capital, it is well to pay close attention to the needs of this territory if the milk production of the Nation is to be maintained.

While in normal times 42 percent of every hundred pounds of milk produced in the United States may have been manufactured into butter, 29 percent into fluid milk distributed in the cities, 5 percent into cheese and a similar amount into ice cream and evaporated milk and the remainder consumed on the farms

and fed to calves or lost in manufacture, this relationship has been changed due to the war. This change has been the gradual increase in the fluid-milk consumption and a smaller amount of farm butter produced. There has been an increase in the production of cheese and evaporated milk.

At this point it should be stated that it is difficult for new areas to expand their milk production at this time, not only for the reasons of the handicaps of manpower shortage, but the handicaps caused by the shortage of equipment and transportation.

It then appears that the best way to maintain this national milk production is to render every assistance to the milk producers, and give special consideration and thought to the areas which have the plants, equipment, and transportation facilities for producing and handling this product.

I wish to call your attention to the following table No. 10 as issued by the Bureau of Agricultural Economics, U. S. D. A.:

TABLE 10.—Total supply and utilization of milk in the United States, 1942*

Milk production:		Pounds
By cows on farms	119,240,000,000	
By cows not on farms ¹	2,826,000,000	
Total	122,066,000,000	
Utilization (milk equivalent):		
Manufactured in plants—		
Creamery butter, net ²	35,662,000,000	
Cheese:		
American	9,270,000,000	
Other	1,928,000,000	
Canned milk:		
Evaporated	7,655,000,000	
Sweetened condensed	180,000,000	
Bulk condensed milk:		
Unsweetened	278,000,000	
Sweetened	181,000,000	
Dried milk products:		
Dried whole	455,000,000	
Other ³	63,000,000	
Ice cream, net ⁴	5,312,000,000	
Total factory products	60,984,000,000	
Used for farm butter	7,290,000,000	
Consumed as milk or cream:		
In cities, villages, etc.	37,650,000,000	
On farms where produced	11,783,000,000	
Fed to calves	3,290,000,000	
Other uses ⁵	1,069,000,000	

* Preliminary.

¹ Rough allowance, assumed same as in 1930.

² Excludes milk equivalent of whey butter.

³ Includes dried cream and malted milk. 1942 assumed same as 1941.

⁴ Excludes milk duplicated in butter and condensed milk.

⁵ Residual, including other uses and inaccuracies of independently derived use estimates.

It will be noted that in 1942 nearly one-half of the milk produced in the United States was consumed as fluid milk; 43,000,000,000 pounds of the total 122,000,000,000 pounds produced in the United States is used for farm- and plant-manufactured butter, or an amount representing about one-third of the total

milk production of the Nation. According to table No. 21 of the Bureau of Agricultural Economics, U. S. D. A. report, 561,000,000 pounds of edible dried skim milk were produced in 1942. This would require about 7,000,000,000 pounds of skimmed milk to produce. Since some 43,000,000,000 pounds of milk are used in the manufacture of butter one can readily see that a very small percentage of this skimmed milk of the Nation is being diverted to the manufacture of powdered skim milk for edible purposes.

Now going back to table No. 1, I wish also to call your attention to the price of butterfat in the various States. The low for 1942 was North and South Dakota with 40 cents per pound average for the year. The high was for Florida with \$1.11 per pound for the year. It is also noted that Wisconsin received \$2.10 per hundred and 58 cents per pound for butterfat. Minnesota received \$1.72 per hundredweight and 46 cents per pound for butterfat. Iowa received \$1.66 per hundredweight and 44 cents per pound for butterfat. These are the three outstanding dairy States in the Nation and they received an average of 49 cents plus per pound for butterfat in 1942 in comparison to the national average of 60.1 cents per pound for the year.

Hon. Marvin Jones is now submitting to the congressional groups a suggested dairy subsidy program in which certain consumers would be subsidized, and a certain portion of the producers will be subsidized. It was presented as being a subsidy across the board and was to take some \$143,000,000 to put into operation. Certain millions were to be spent as a subsidy in the larger cities. Also millions of dollars were to be used to subsidize cheese and evaporated milk and there was a proposal to increase the price of powdered skimmed milk. However, a large segment of the dairy producers would be left out of the picture entirely which would be those who are doing farm separating and do not have facilities for disposing of fluid milk. In other words only \$7,000,000,000 of the \$43,000,000,000 of the national income for milk would not enjoy this subsidy.

The essential requirements for maintaining milk production appear to be: First, manpower; second, adequate feed; third, price; fourth, influence of profits derived from cash crops; and fifth, elimination of irritations which harm the war food program caused by regulations and statements issued by Government agencies which are largely responsible for the increased food production program.

We are still statistically safe as far as the number of cows are concerned and are in a position to maintain our national milk production by providing sufficient feed. The national production per cow would be very much increased. Some States show five or six thousand pounds average where other States show three or four thousand pounds average yearly production per cow.

The cost of manpower and the cost of feed are two factors which will determine the price which must be paid to prevent the decline in production.

At a later date, I hope to continue this discussion of dairy problems and bring out in more detail: First, the manpower problems involved; second, the necessity of adequate feed; third, the influence of profits derived from cash crops on milk production; fourth, the relation of price of milk to the above factors; and fifth, the necessity of eliminating irritating regulations and statements by governmental agencies which are harmful to maximum food production.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Does the gentleman advocate curtailment of milk production by the farmers?

Mr. MURRAY of Wisconsin. No; I advocate maintaining or increasing production. Milk is needed today in the form of powdered whole milk for our armed forces.

Mr. HOFFMAN. The gentleman means more milk and not less?

Mr. MURRAY of Wisconsin. Yes. We will, however, do well if we can keep the production we now have. All the administration is asking is to maintain the present production. We are not even going to get the 119,000,000,000 pounds this year that was produced in 1942.

We are still safe as far as the number of cows is concerned in this country. We still have 25,000,000 or 26,000,000 cows. Our good friend and colleague the gentleman from California [Mr. PHILLIPS] knows the average cow of his State produces 6,900 pounds of milk a year, while the national average is only 4,600 pounds. In fact, California's average is 50 percent above the national average. With manpower and feeds in relationship to milk the production could be maintained but every day makes the problem more difficult.

Marvin Jones brought out the other day that they either have to raise the price of milk or provide the feed. That is the reason that since I have been back here I have introduced House Joint Resolution 155 to take the tariff off not only from the feed wheat but the barley and the oats of Canada during this time.

Mr. SAUTHOFF. Mr. Speaker, will the gentleman yield?

Mr. MURRAY of Wisconsin. I am always pleased to yield to my colleague from Wisconsin.

Mr. SAUTHOFF. I think we perhaps can all agree that my colleague from Wisconsin is about the best informed man in the House on the subject of milk production. I am very anxious that his House Joint Resolution 155, which lifts the tariff for a period of 90 days on feed, should receive early and favorable consideration, because during my visit at home, sitting down with both the poultry people and the cheese makers, I found that they could not possibly keep up production unless they got feed. We are running out of feed and we need it. Therefore, we ought to adopt this resolution.

Mr. MURRAY of Wisconsin. I may say to my colleague that I took this up

with the majority leader, and he said that as soon as he had time he would give the resolution attention. I have every confidence that the Ways and Means Committee and the gentleman from Massachusetts [Mr. McCORMACK] will give it the green light as soon as they can. Also I might say that the rumor is already out that Canada has put an export bounty on any feed coming out of Canada. However, I talked with the Office of Foreign Agricultural Relations, and they say there is nothing to substantiate that rumor and that it is not true. We have reason to think that the Canadians will give us a fair deal in connection with these proposed importations.

Mr. HOPE. Mr. Speaker, will the gentleman yield?

Mr. MURRAY of Wisconsin. Yes; gladly.

Mr. HOPE. I am in sympathy with the gentleman's move to temporarily lift the tariff on feed grain, but it has been my understanding that transportation has been the greatest obstacle to bringing in Canadian grain. Does the gentleman think that lifting the tariff at this time would do a great deal to bring in more grain?

Mr. MURRAY of Wisconsin. I would not want to pose as an authority on the subject of transportation, but I would say that just because the Commodity Credit Corporation cannot get the job done, I would not want to think that the businessmen of America would not get it done. I have very much more confidence in them than I have in the Commodity Credit Corporation.

Mr. ROWE. But the gentleman assures us that this would remove at least one obstruction?

Mr. MURRAY of Wisconsin. That is correct. At least the feed dealer would be on an equal business basis with the Government.

Mr. SUMNERS of Texas. Mr. Speaker, will the gentleman yield?

Mr. MURRAY of Wisconsin. Yes; gladly to the distinguished Member from Texas.

Mr. SUMNERS of Texas. Of course we have crops anyway, and let me make this observation: This thing has been considered mainly from the standpoint of the dairy farmer. It is about time that we people who live in the cities, and who have to have milk to feed the babies better get in on this job and get in quick.

Mr. MURRAY of Wisconsin. All the time that I was home during the recess I did not hear as much about the price of milk as I did the factors that were hindering the production.

Mr. SUMNERS of Texas. But I say that the time has come when the people in the cities who have to have milk for their babies had better get in on this job and better get in on it quick.

Mr. MURRAY of Wisconsin. Yes; I think they better do it before we lose any more production. We evidently lack dairy leadership in high places here in Washington.

Mr. SUMNERS of Texas. You cannot bring a cow back into production whose hide is hanging up in the tan yards.

Mr. MURRAY of Wisconsin. That statement is correct. There is the question of manpower also. That is another part of this milk production. I have no reason to approach this problem from any standpoint except one that is purely factual. I have worked up some things in these tables that should be of interest to everyone that is interested in this milk problem. I think we can only expect this production in our established dairy districts. This milk problem is something that is going to come up on the floor of the House some of these days. The more all of us know about this milk problem, the better it will be for the war food program. Up to this time there has been too much of an attitude on the part of Washington of telling instead of asking the dairy producers of our country as to the best methods to follow in order to get production. The problem could be readily solved and will be when and if the producers of milk themselves are given some small voice in the proceedings that take place here in Washington.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. MURRAY of Wisconsin. Yes.

Mr. RANKIN. Mr. Speaker, if the gentleman from New York [Mr. EDWIN ARTHUR HALL], who spoke a few moments ago, had consulted the dairymen in his district, I think he would have found that they are suffering from a lack of cottonseed meal, and they will continue to do so until the farmers of the South are paid a decent price for their cottonseed, and let me say to the gentleman from Wisconsin [Mr. MURRAY] and to the rest of the House that every bale of cotton has 33 bushels of seed in it, or half a ton. Cottonseed makes the finest dairy feed in the world. The farmers do not have to sell this seed. There is more food value in a bushel of cottonseed than in a bushel of wheat or corn. Yet instead of giving the farmer of the South a decent price for his cottonseed, they are trying to hold him down to \$56 a ton. As a result, the farmers are hauling their cottonseed back home and putting it in their cribs and in their barns. If they should receive what it is worth, they would be getting easily more than \$100 a ton for it today. As long as that condition prevails, you people in those distant States that depend on cottonseed meal for dairy feed are going to suffer for want of it.

Mr. MURRAY of Wisconsin. I thank the gentleman for his observation.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. MURRAY of Wisconsin. Yes.

Mr. HOFFMAN. The gentleman from Mississippi [Mr. RANKIN] knows very well that he is one of the most influential of the party in power, and this whole situation which might be described with a word beginning with the letter "d" is the result of the policies which the men on the majority side put into effect and are carrying on now in spite of all that we can do.

Now, I love the gentleman from Mississippi with the most intense and endur-

ing love, but when I know things that result from the policies that he has stood for in the past, I hope, and I pray sometimes in the same building where you live, that God will sometime make you see the light and reform and come with us.

Mr. MURRAY of Wisconsin. Mr. Speaker, I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. This question of cottonseed has come up. I am a city man and I do not know much about this. Now, we are receiving a great many post cards and letters and things about the bill, H. R. 2400, that is now in the Committee on Agriculture, about taking the tax off of oleo. A part of the argument is that you can make oleo better from cottonseed and such products, and that that is better food. I would like the gentleman to give us his views on that bill and also whether or not cottonseed can produce more food in the form of oleo or in the form of milk, because we want to get this all straight.

Mr. RANKIN. Will the gentleman yield?

Mr. MURRAY of Wisconsin. I want to answer the gentleman first. If he can get me about half an hour additional time, I would be glad to discuss his question.

Mr. KNUTSON. Would the gentleman let us know who introduced this infamous bill 2400?

Mr. MURRAY of Wisconsin. I am trying to keep everybody from eating the doughnut and simply leaving the hole. I do not think we should get off on this question of oleo versus butter at this particular time. There will always be a day for that. I do think, as the gentleman from Texas [Mr. SUMNERS] said, this is not a matter of dollars and cents to the man who is milking these cows; it is a matter of public interest and it is of primary interest in connection with the war food program. I sincerely believe that with the right leadership and by people who know which side of the cow to sit down to in order to get the milk, it can be accomplished. So far no fair or practical plan has been offered by the War Food Administration. The proposals to meet this problem should be submitted to the dairy groups like the Pure Milk Products Co-op, located at Fond du Lac, Wis., that handles over a billion pounds of the 98,000,000,000 pounds of milk that were marketed in the United States last year. I have not too much confidence in the Commodity Credit Corporation, nor in its judgment as to how to increase food production or how to distribute it after it is produced, for that matter.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

PERMISSION TO ADDRESS THE HOUSE

Mr. BOREN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record on the Commodity Credit Corporation bill.

The SPEAKER. Is there objection?

There was no objection.

Mr. BOREN. Mr. Speaker, I have just introduced a bill to abolish the Commodity Credit Corporation. My bill

calls for the immediate and complete liquidation of that organization. It calls for the complete abolition of all of its powers that have been so grossly misused and abused. This course of action appears to me, after mature consideration and deliberation, the only method of protecting American agriculture from hampering interference, intolerable regimentation, and senseless regulation.

The Commodity Credit Corporation in the course of its life has done a few good things, but its virtues have been few and minor, and its vices have grown to be monstrous.

The first 3 days of this week, more than 30,000 head of cattle arrived at the doors of the slaughterhouses in Oklahoma. Today, something like 11,000 head of cattle have reached the pens, and at this moment trucks are lined up for 1 1/4 miles awaiting an opportunity to get to the stockyard gates. There are already in the stockyards at Oklahoma City more cattle than they can slaughter in a week. The rush to market in Oklahoma has reached and passed any previous rush to market. There has been nothing to compare with it in at least 33 years. These figures tell a tragic story. In front of this avalanche is the health of the children of America, short of milk for their diet; and in front of this stampede is the stockman, doomed to destruction because these 10,000 cattle a day in one moderate-sized market does not represent any market demand. These cattle are stockers. They are breeding cows and they are dairy cows. Only a small percentage of them is ready for market. All the rest of them represent the destruction of dairy herds essential to a fast dwindling national milk supply, and they represent the loss of breeding stock, which means the destruction of the cattle industry in the sense of a great resource, and this head-on rush of cattle to market is all due to no feed. And the responsibility rests at the door of Commodity Credit Corporation.

Commodity Credit Corporation did not cause the droughts, of course, but when the shortage existed in the drought-stricken areas and the stockman turned to the normal channels to secure feed from areas where an abundance existed, he found the gates of those channels locked and barred and he found the keeper of the keys, Commodity Credit Corporation, to be a keeper ignorant of agricultural production problems and without information concerning the livestock industry. He found the keeper to be possessed of only moronic understanding of the industry whose destiny he controls and more than that, possessed of a vicious will to be arbitrary and high-handed, if not whimsical and petulant in his consideration of the problems.

Mr. Speaker, I am not unaware of the fact that Commodity Credit Corporation has today designated certain States as drought areas and assured them of a certain percentage of their normal use of protein feeds. This action merits our commendation and it will be of some value even though it did come in the

twilight hours of the day for action. Commodity Credit Corporation is responsible for the tragic rush to market of cattle that are not ready for market and of cattle that ought not to be sold. Theirs is the responsibility for a poor grade of meat on the tables this fall and for a diminishing outlook for proper meat supply in the days to come.

All of these things are in themselves more than sufficient reason to chop off the head of tyranny and to break the chains of thralldom that Commodity Credit Corporation has hung around the farmer's neck. The uncertainty alone has been a capital crime and all the hours of uncertainty have been a fear on the part of the farmer, not of what the government agencies might or might not do for him, but a fear of what Commodity Credit Corporation was going to do to him.

All the farmer and the stockman want is that interfering, hampering bureaucratic agencies quit obstructing his way. The farmer is tired of being pushed around by the bureaucrats, and my bill provides us one opportunity of getting at least one bunch of bureaucrats off of his haystack and out of his field.

You know what the farmer ought to plow up? He ought to plow up the Commodity Credit Corporation, plow it up and plow it under.

My colleagues, I want to point out to you also another crime of this millionaire prostitute we call the Commodity Credit Corporation. The Corporation seized all of the available protein in the hands of processors. When they seized it the local market price for peanut-oil meal was \$41 a ton and they directed the processors to raise the price to \$54 a ton and remit the balance to the Corporation. Al Capone—in fact, no racketeer has gone further than this. First, their seizure was unconstitutional. Second, their racketeering collection or confiscation of the difference between the old ceiling price and the new ceiling price was unlawful, a crime for which the guilty should pay, a crime that justifies impeachment, and such impeachment proceedings I contemplate instituting.

Are we to harbor in the breast of Government a poisonous viper?

Are we to tolerate within our own household an enemy to the American constitutional system of government? Why did they collect this money which meant several thousand a month from each of the hundreds and hundreds of mills throughout the land? They did it because they wanted to continue in power and increase their reach and grasp of dictatorial control. Congress had reduced their appropriation. Congress had refused to give them money with which to carry on these very activities, and in a deliberate and premeditated plan to thwart the will of Congress and defy all control from the constitutional authorities they set up this racketeering scheme. They sought to levy a tax of their own, a racketeering tax. They sought to defy the Congress. They expressed their contempt for the Constitution. They had their hand on the handle of the scourge that lashes the farmer's back, and the

craze of sadism at his hurt saturated their minds with a concept not completely free of kinship to the depravity of governmental thought amongst the Axis Powers.

I am a freedom-loving, tyranny-hating man. I am unwilling to submit to despotism such as this agency seeks to wield, and I am unwilling for the American farmer to be in the clutches of such autocratic power.

My colleagues, we must destroy this thing.

EXTENSION OF REMARKS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 15 minutes.

THE ROLL-BACK IN PRICES

Mr. HOFFMAN. Mr. Speaker, yesterday—and this bears directly upon the discussion to which we have just listened—the gentleman from Texas [Mr. PATMAN], in speaking of the milk situation, said we would have to do something about it, and that we must go along with this proposition of subsidies or offer another plan.

Now, it is very evident that the administration has sold out, body, soul and shoes, to the politicians in these labor organizations which are demanding the roll-back and subsidies. Those who have to pay a cost for food which is out of proportion to their income have our sympathy, and it is the desire of every one of us to help them. But the roll-back with subsidies, as they want it, that is, the payment of subsidies, will never do it without breaking down our financial system and creating injustice.

Labor leaders who came to me—and there were many of them during the recess—wanted to know about the roll-back. My answer was that if they would join in supporting a roll-back such as would be brought about by the stabilization of wages and the price of things we use, that was all right. If they meant only a roll-back produced by the payment of subsidies, I could not go along, because that is an endless and vicious procedure.

There is a remedy other than the one which was called to our attention by the gentleman from Texas [Mr. PATMAN], and that is the one which was put forth in a bill introduced by me away back in November 1940 a copy of which follows this talk and it will furnish a base for perfected legislation. Think of it!—1940—which was a bill to stabilize the prices of all services and all things as of a date then referred to or any other date that the Secretaries of the Departments of War, Navy, Treasury, Commerce and Labor wished to select. That would have accomplished the job. A similar law will do it today. But it is too simple, too effective to meet the approval of those who want regimentation—rule by men rather than by law.

Well, we can go along every day and find faults which bring suffering and loss to the people in every single district, but that is an idle procedure unless we have some remedy. From home I gathered two or three things during this last vacation. One was that the people have absolutely no confidence whatever in those who are administering or those who formulated the policies under which we now live here at home. I venture to say that almost every member on the majority side received that same impression from his people.

Well, we are asked, "What would you do about it?" Not being one of the prominent Republicans, not being one of those who guide the destinies of our party, if anybody does guide them, let me say this, that my humble suggestion would be—and I hope the gentleman from Mississippi [Mr. RANKIN] will listen, because I value his opinions; seldom a week goes by that he does not meet me somewhere and impart to me words of wisdom—thoughts which I can use to good advantage the next day.

Mr. RANKIN. The gentleman should not give me credit for saying you had no leadership.

Mr. HOFFMAN. If we would follow the leadership of which the gentleman has given notice he intends to speak today—why the gentleman from Mississippi is supporting the candidate about whom he is going to talk, I cannot for the life of me understand. He has advertised him more than any man on the floor of this House. He talks about him continuously, and never have I heard him utter a word except words of praise and commendation—or have I?

Mr. RANKIN. Well, the gentleman understands why we nominated him.

Mr. HOFFMAN. Yes; you want two of a kind—you have your nominee and hope to give us a worse one if that is possible. I cannot yield further. If the gentleman will wait until evening I will gladly give him the usual half hour of my time.

What I was trying to say was this: The impression that came to me from my people when I was home was this: We should repeal all the legislation that we have enacted which gave the President any authority—especially blanket authority—and we should start over and parcel it all out again in dribbles as needed—only as needed—take away the blanket authority and make him come before the Congress and justify each request that he makes.

We should do the same thing with all the money that is unexpended; take away from him all the billion dollars, or whatever it is, that is unexpended, on which he can draw a blank check, and which Harry Hopkins and some of the others are just throwing to the winds. You remember how we used to go into the wheat fields in the spring and sow grass seed—broadcast a handful here and a handful there, and let her go so long as the owner of the seed was not watching.

Now, we should take the money that is unexpended, recover it into the Treasury of the United States, and make the President and every single spending official come again before the Appropria-

tions Committee and justify every request for every red cent. Then the Congress would have responsibility and the money might be properly spent.

As the gentleman from Ohio [Mr. RAMEY] said a little while ago in his colloquy with the gentleman from New York [Mr. EDWIN ARTHUR HALL]—he said we got some kicks and some squawks—and I could use other words—about the things that are going on when some of the older men in Congress gave them this power.

Now, we probably have made mistakes. They were not made by my vote, because I have not yet learned a word with more than two letters; my vote has always been no, no, when these fellows down there request something for wasting—squandering—that was not needed. Why? Well, because they are a crew of spenders and wreckers, and most of you will agree now, whatever you may have thought before, that they are spenders and wreckers. If you don't believe it, ask your home folks.

Now, what are we going to do about that? You know that we ought to take back that power, to repeal these laws which we know are bad. We ought to do away with the O. P. A., which we know is failing and has failed, and which is raising worse than heck, and start with original legislation, because you and I know that the present plan is not working. We ought to start over again.

Does not the membership of this House have enough brains to rewrite the law and profit by our previous mistakes and correct them, and get something better than what we have now? We can do it. You know we can.

Now here is another situation: We were talking about corn. The gentleman from New York [Mr. EDWIN ARTHUR HALL] was talking about corn, and the gentleman from Iowa [Mr. JENSEN] was talking about corn. Before we left for home I was trying to get these fellows down in the O. P. A. to do something constructive about it, and perhaps doing something to them a little rough, trying to get corn for a man in my community who was using 1,000 bushels of corn a day to make poultry and dairy feed. Finally they gave him a carload. What does that amount to?

Our people have known all about this mismanagement for months and yet when we come back, charged by our people with one thing, to eliminate the power of the bureaucrats, what do we do? We adjourn for a week and next week we will not do more. I am going home and tell my folks just why we do not remedy the situation. I would rather try to do something, even though it is not 100-percent correct, even though it is but 50-percent right, than to sit down in a rocking chair, call for a pipe and smoke and rock. That is not going to get us anywhere. I would do something. There are a few Republicans here on the floor but only a few Democrats, and I do not blame them for not being here. I, too, would be ashamed of what is being done by the departments like the O. P. A. and of our failure to act if I belonged to the majority party. I would rather go out into the garden and do something, even if what I did resulted

in digging up some vegetables of some sort, if I really in the end got a crop. I would like action even though the plan might not be perfect, still I would rather continue to fight; I would rather die with my boots on, than sit down and not try to work out some plan—just rust out with dry rot.

I say we should change some of this legislation.

Before I came back to the Congress one of my constituents came in to see me and told me that he would like to have some tools. I asked him what he wanted and he told me he would like to have a pair of pliers and a wrench, a monkey wrench. I ought to have told him that if he wanted a monkey wrench he should come down here where he would find plenty of them in the bureaucratic departments where they have been heaving them around by the dozen, but in this little town of 4,000 or 4,500 you could not find a monkey wrench and you could not find a pair of pliers. But here is a catalog that came from Great Britain. And over here on this page you have it not only for the people in England but for the people of all the dependencies, principalities, whatever you call them, the provinces. All over the world they send monkey wrenches and pliers. The man can have three kinds of pliers, but our farmers cannot get one kind.

The boys poke a lot of fun at me because I am an American firster. I would rather have my farmer who votes for me perhaps or who might be induced to vote for me—I would rather have him get a pair of pliers and a monkey wrench than to have them offered for sale by British merchants down in some hot country to some Hottentot who might want to try to curl her hair with a pair of pliers or on the handle—I would rather that my farmer had the pliers and the wrench, but the Fulbrighters want to take care of all the rest of the world regardless of what happens to our own folks. Well, some of them, the Hottentots, have such curly hair they would not need to curl it, but they might want to try. Where is the justice? Where is the decency? The British make these for export, and the British farmer can get them; they are for others all over the world; yet when we want to get them for our farmers, we cannot. Some fellow asked, why do you not get baling wire? I ask, where can you get baling wire, how can you get baling wire, barbed wire, or any other kind of wire?

Mr. RAMEY. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. Briefly.

Mr. RAMEY. Have not you oldsters put some of us new Members in a difficult position? We come in here and find a debt of \$91,000,000,000, a great deal of which had no connection with the war effort.

Mr. HOFFMAN. Not me; I never voted for any of it except for war expenditures.

Mr. RAMEY. Every cent connected with the war effort was all right, but we come here and find it necessary to inaugurate a pay-as-you-go tax program in order that it will not have to be paid for by the boys when they come back.

Instead of trying to be popular we are trying to be just; but we find that some of you have left us in that predicament. We are not trying to be popular by spending money; we are trying to be just and we are looking around for ways and means to cut things down where we can stand on our own feet for a domestic policy in order to put the country back. We cannot talk patriotism while one cent is wasted on the home front. We cannot talk liberty and deny privileges. Your boy and mine are fighting to see that governments are servants and not masters of their people. The American people should be respected, not inspected.

Government by inspection means that the inefficient rule the efficient and eventually dictatorship.

We must have the courage to be just; not seek to be popular. I thank the gentleman from Michigan for this opportunity.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. HOFFMAN. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. HOFFMAN. I just asked the timekeeper how much time I had remaining and he told me I had 2 minutes. Will the Chair ascertain how my time stands?

The SPEAKER. The Chair begs the gentleman's pardon. The timekeeper informs me that the gentleman has 2 minutes remaining. The timekeeper turned to speak to the Chair. He usually does not do that unless it is to say that time has expired.

The gentleman from Michigan may proceed.

Mr. HOFFMAN. It might have been just as well if he had spoken 10 minutes earlier, but as long as I have it and we are sort of wasteful anyway, I feel justified in proceeding.

I did not let the horse get out; I did not help steal the horse, if he was stolen; I did not have anything to do with those wasteful expenditures. I voted for appropriations for the armed forces and I expect to continue to do so. I did not vote for the New Deal program, and I do not intend to do so.

Now, if it is true that we are talking after the horse is stolen—and speaking figuratively it is true—I am trying to get the horse back in the barn once more by repealing all this legislation, by recalling the money that has not been expended, and starting over again with a new slate, do you not see, with the help of the Members who came in fresh from the people, who are willing—who are willing, who are eager—to follow out the mandate given them at that 1942 election. I will go along, and I only hope that the gentleman from Ohio will never be disillusioned as I have been; I hope he will never grow discouraged as I have grown discouraged at inability to get anything done down here that the administration does not want done.

I say to the gentleman I wish him luck. May his number multiply; and may he come back with a group that will turn this thing upside down, throw them out in the street—and I am not talking about Congressmen, because by that

time the reform will have sunk in; your repentance on the majority side will be sincere and abiding. You will then be the minority, and you will go along with the constructive program, not under the leadership of Wendell Willkie, may I say, but under someone like Vandenberg, or Taft, or Bricker, or MacArthur. The bill to stabilize prices reads as follows:

H. R. 1408

(77th Cong., 1st sess., originally introduced in 76th Cong., 3d sess., on Nov. 19, 1940, as H. R. 10680)

A bill to provide for the common defense, render more effective the Selective Training and Service Act of 1940, prevent profiteering, stabilize prices, raise revenue, minimize the increase in the public debt, insure a contribution from, and the participation of, all citizens in the national defense program

Be it enacted, etc., That this act may be cited as the "National Defense Act of 1941."

SEC. 2. (a) Experience has shown that inequality in the distribution of the burden of preparing for national defense creates discord and lessens the effectiveness of the Army and the Navy and the industrial structure upon which both depend for effective operation.

(b) Experience has demonstrated that preparations for national defense can only be effectively made when based upon sound economic policies and a safe financial structure.

(c) We know from experience that a people can be united, show the greatest determination, and exert their utmost power and accomplish the seemingly impossible only when they have a common objective to which each has made contributions requiring self-denial and personal sacrifice.

SEC. 3. Congress having declared that it is imperative to increase and train the personnel of the armed forces of the United States; that, in a free society, the obligations and privileges of military training and service should be shared generally in accordance with a fair and just system of selective compulsory military training and service; and that it is essential that the strength and organization of the National Guard, as an integral part of the first-line defenses of this Nation, be at all times maintained and assured, Congress does hereby further declare

(a) that the integrity and institutions of the United States are gravely threatened and that, to insure the independence and freedom of the people of the United States, it is imperative that immediate measures be taken to mobilize the Nation's strength; (b) that national strength depends not only upon the possession of modern arms but equally upon adequate forces of well-trained men; (c) that, in a free society, it is just and right that the obligations and risks of national defense be shared by all; (d) that every citizen may have brought home to him his duty and the extent of his proper participation in the defense of the Nation and the preservation of its institutions; (e) that profiteering be prevented; (f) that revenue be raised for implementing all national defense measures; and (g) that the burden of national defense be equalized.

SEC. 4. Within 10 days after the date of the passage of this act, it shall be the duty of the Secretaries of War, Navy, Treasury, Commerce, and Labor to meet and, based upon the last 10 years, determine and publish, within 30 days of such meeting, a schedule of prices which shall represent the true and fair average price of all materials and services which may be needed by the Federal Government in any of its activities looking toward preparation for national defense.

SEC. 5. Any person feeling himself aggrieved by any determination made by said Secretaries may appeal therefrom to the district court

of the United States of the district in which he resides, by simple petition, and such appeal shall be heard before a jury within 20 days from the taking of such appeal. From the decision of such district court and jury an appeal may, within 10 days, be taken direct to the Supreme Court of the United States, but the findings of fact of the district court jury, if sustained by substantial and credible evidence, shall be conclusive.

SEC. 6. It shall be unlawful for any person (and the term "person" shall include individuals, partnerships, associations, organizations, and corporations) knowingly to, after the date of the determination of such prices, ask or receive a greater sum for either materials or services, or a combination of the two, than the price fixed in such schedule.

SEC. 7. It shall further be the duty of the Secretary of the Treasury, as long as a national emergency exists, to cause to be deducted from the compensation paid by the Federal Government to any and all individuals now in the service of the United States, or who receive compensation from the United States, other than those in the land and naval forces of the United States and other than those whose reduction of pay is prohibited by the Constitution and other than persons on relief, the following sums:

(a) From the compensation of all those receiving \$10,000 or more, there shall be deducted 35 percent.

(b) From the compensation of all those receiving \$5,000 and less than \$10,000, there shall be deducted 25 percent.

(c) From the compensation of all those receiving \$2,500 and less than \$5,000, there shall be deducted 20 percent.

(d) From the compensation of all those receiving \$1,000 and less than \$2,500, there shall be deducted 10 percent.

(e) That all employees and all those who receive compensation from the Federal Treasury and whose salaries cannot, under the Constitution, be reduced during their term of office, shall have deducted from the compensation which would otherwise be paid to them for services rendered by them in any office or employment to which they may hereafter be elected, appointed, or employed, a sum in each case equivalent to that above specified.

SEC. 8. It shall further be the duty of the Secretary of the Treasury, as long as a national emergency exists, to cause to be collected from the net incomes of all persons, other than those designated or exempted in section 7 of this act, sums equivalent to those above ordered to be deducted by him from the compensation of Federal officers and employees.

SEC. 9. All sums so deducted under section 7 and so collected under section 8 shall be recovered into the Treasury of the United States.

SEC. 10. Any person violating any of the provisions of this act shall, upon conviction, be subject for each offense to a fine of not more than \$1,000 or imprisonment of not more than 1 year, or both.

SEC. 11. In addition to the penalty herein provided, every person violating this act and who has knowingly received a greater sum for services or materials, or a combination of the two, than that fixed in the manner hereinbefore provided, shall forfeit a like sum to the United States, to be recovered for the Government by action instituted by the Attorney General.

SEC. 12. It shall be the duty of the Attorney General to enforce the provisions of this act.

The SPEAKER. The time of the gentleman from Michigan has expired.

Under previous order of the House, the gentleman from Mississippi [Mr. RANKIN] is recognized.

Mr. RANKIN of Mississippi. Mr. Speaker, I ask unanimous consent to

revise and extend my own remarks and to include an address I made in the House in October 1940.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

WENDELL L. WILLKIE ADVERTISES HIMSELF AS A SECOND LINCOLN

Mr. RANKIN. Mr. Speaker, it was interesting to hear the gentleman from Michigan [Mr. HOFFMAN] in his closing remarks predict the coming of a reformation. It just shows how far he is behind the times.

Mr. HOFFMAN. Will the gentleman yield?

Mr. RANKIN. No; not now.

Mr. HOFFMAN. I want to correct the RECORD.

Mr. RANKIN. I cannot yield now, the RECORD will be correct.

Mr. HOFFMAN. I want to correct the RECORD.

Mr. RANKIN. I decline to yield at this time.

If he will read this glorious advertisement that somebody is paying for all over the country and which contains a full-page picture of Wendell L. Willkie referring to him as "Another Lincoln"—a second coming of Lincoln—he may realize how far behind he is when he talks about a mere reformation.

Mr. HOFFMAN. Well, now, Mr. Speaker, I demand that the gentleman's words be taken down.

Mr. RANKIN. Mr. Speaker, I cannot yield. I do not know whether the world is prepared for this second coming of Lincoln or not, but I do not believe that even an Old Guard Republican is going to be deceived by the make-up.

If Wendell L. Willkie were to put on enough make-up and paraphernalia to make him look like Abraham Lincoln did at any time, I am afraid the average Republican or the average Democrat, when they saw him, would be like the little boy who came in and told his mother he had just seen a lion on the street. He had seen a little dog sheared up to look like a lion. She said, "Now, you know that is not true. I might just as well break you of lying now as to begin later. I am going to lock you in this closet and keep you there until you pray God and get forgiveness for that lie. Now, you get in there. It will be dark, but you get to praying and just as soon as the Lord forgives you, knock and I will let you out."

She shoved him in the closet, turned the key and started away. There was a knock and she opened the door. The boy stepped out smiling. She said, "What? Has God forgiven you already?" He said, "Oh, yes." "Well," she said, "what did He say?" The boy said, "He said 'that is all right.' He thought it was a lion too when He first saw it."

Some people might have thought it was the second coming of Lincoln in 1940 until he opened his mouth and the people heard him pronounce "America."

When he comes back, you Republicans may be like the Irishman was one day when a horsefly got after him. He thought it was a hornet. "Oh," he said, "you have changed your suit, but I know

your voice. I have been mixed up with you before."

You have been stung once and while you might get stung again by the same hornet, yet I seriously doubt that you will be deceived at his second appearance.

This advertisement that he is having published widespread refers to an article by him in a magazine called Look. I do not know who is paying for these advertisements. I am being assured on every hand by distinguished gentlemen in the House that the Republicans of the country are not paying for it. I certainly want to assure you that the Democrats are not doing it, although we know nothing that would contribute more to our success than to have you renominate him again in 1944 as you did in 1940.

I want to show you some most interesting material in this article by Mr. Willkie in this magazine called Look. You know, in 1940 Hon. Herbert Hoover made a speech to the Republican convention after the nomination in which he appealed to the Republicans and to the country to hold an election, and not an auction. The poor fellow did not know that the auction had already been held before he got there. They had beaten you to the draw.

But I want to read you something here that is most interesting, if I can just find it in the mix-up of all of these pictures of Mr. Willkie from his physical cradle to his political grave. The one thing that amuses me most, perhaps, is the fact that according to this paper the Republican convention of 1944 has already been held. Here is an account of it. This purports to be a page from the Cleveland "Press-Dealer." Now, you have been talking about the New Deal. He is beyond that. This is a press deal. This whole thing is a press deal. This Cleveland "Press-Dealer" is dated Cleveland, Friday, July 28, 1944. It says:

Twenty-four thousand leaders petition G. O. P. to choose a liberal.

Who do you suppose that liberal is they are talking about? I am amused when Wendell L. Willkie talks about being a liberal after being head of the Commonwealth & Southern, after he had helped plunder the power consumers of this country, and especially the people I represent. It makes me think of an old darky down at home, a colored fellow, who had been convicted of assault and battery with intent to kill one of his neighbors. They had elected a liberal judge in that district. He called him up and said, "George, under the law I am compelled to sentence you to 15 years in the penitentiary." He said, "What?" "Fifteen years in the penitentiary." He said, "Lord, Judge, I heard all de time dat you was a liberal, but I must say you is de most liberal man wid de other fellow's time dat I ever saw."

Wendell L. Willkie was one of the most liberal men when it came to plundering the power consumers of our section of the country and of the whole United States I believe I have ever come in contact with. But listen to this.

Here is an advertisement that is supposed to have appeared in this paper, the "Press-Dealer," at that Republican Convention in 1944:

Willkie backers see stampede for Hoosier.

Of course, you know who the Hoosier is—this barefooted boy from Wall Street, Mr. Willkie, of course.

It says:

Philadelphia story all over again, they forecast.

Then it goes on:

The man to beat Roosevelt.

Correspondents describe ideal in fictional convention preview.

Then it goes on to set out a petition that these people are supposed to have signed.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I will yield for a question only.

Mr. MILLER of Nebraska. Does the gentleman not feel that the reason Look magazine has used this article on the life history and story of the performances of Mr. Willkie is that it has reader interest and the public wants to hear about it?

Mr. RANKIN. Real interest? Does the gentleman mean this paper has an interest in it? Somebody has, or they would not have paid for this advertisement.

Mr. MILLER of Nebraska. Reader interest, such as the gentleman has now.

Mr. RANKIN. Somebody certainly has an interest in it, or they would not have paid for all this advertising.

Among other things, he says that the Democratic Party is torn asunder by conflicting forces. I wonder how he knew that. "In the past," he says, "we Republicans have also been torn."

Was that before he got into the party or was it before he jumped from the Socialist Party into the Democratic Party? Probably that rent in the Republican Party is where he got into it, maybe by mistake.

He talks about protection of minorities. You know, I have heard so much about protection of minorities in this country that I am just wondering when they are going to look out for us majority of the American people.

He says we must have "a rebirth of enterprise." Well, we had it down in my district. We had a rebirth of the power business and a proper adjustment of electric light and power rates. We are no longer paying that enormous tribute that we were paying a few years ago when Wendell L. Willkie, as head of the Commonwealth & Southern, as I said, was helping to rob and plunder the power consumers throughout that section of the country as well as throughout other sections of the United States.

He says further that—

A corporation—

Listen to this; now, this is Mr. Willkie speaking. This is IWW; that is, I, Wendell Willkie himself, speaking. That name is significant because he goes on to say that the Democratic Party, as now constituted, is not liberal enough, but just gives lip service. Of course, we did not give the kind of lip service he did.

None of our leaders has ever kissed the barmaids of London. None of them has ever kissed the fan dancers in Moscow or orphan girls in China.

He says:

A corporation may be privately owned and still be the worst enemy of free enterprise.

No man in the country is better prepared to make that statement than Wendell L. Willkie. I will show you why. When he was mixed up with that crowd who built the Commonwealth & Southern, which, as I said before, is neither commonwealth nor southern, they got together in 1929 and took four little power companies, the Allied Power & Light Corporation, the Penn-Ohio Edison Co., Commonwealth Power Corporation, and Southeastern Power & Light Co., and threw them together and made the Commonwealth & Southern.

One reason I am kicking is that at that time we were paying 10 cents a kilowatt-hour for electricity that this outfit was buying at Muscle Shoals at 2 mills a kilowatt-hour. Last year, under the new T. V. A. system, we paid an average of 1 cent a kilowatt-hour for the same power that the city of Tupelo buys there for 4.8 mills a kilowatt-hour.

This is what they did. They took those four corporations and threw them together in 1929 and made the Commonwealth & Southern. The ledger value of the securities owned by these four companies at that time, according to the report of the Federal Trade Commission that investigated it, amounted to \$340,896,260.27. They put them on the books of the new company that same day, without adding a single particle of property to it, at \$872,101,612.10, watered the stock in 1 day \$531,000,000.

Mr. H. CARL ANDERSEN. What was the 10 cents for?

Mr. RANKIN. That must have been to tip the waiter.

So Mr. Willkie is better prepared than almost any other man I know to make this statement, when he says:

A corporation may be privately owned and still be the worst enemy of free enterprise.

Then they proceeded to sell the stock in the new corporation and went on the stock exchange and boosted it up to \$30 a share and induced people all over the country to buy that stock. Today it is down to less than \$1 a share.

What is that \$531,000,000 composed of? It represents wind, water, and Power Trust rascality. One of those men who perpetrated that outrage and later became president of the concern, and continued its operation, is not a proper person to advise Republicans on morality, much less Democrats.

He goes on to say:

The trouble with the enterprise system has never been the enterprisers but men who talked about free enterprise and then went ahead and violated all the rules of enterprise.

Mr. Speaker, I agree with that statement. Even though this article in the "Press-Dealer" would indicate the convention has already been held, and of course that the nomination has already been completed. But I say now that whatever sins this administration may have to its discredit, there is one thing

that it has to its credit, to its everlasting credit, something that has redounded to the benefit of the American people more than anything else, and that is the turning of the sunlight of pitiless publicity onto this Power Trust racket, the greatest racket of modern times, and bringing down electric light and power rates to the American people.

I have no quarrel with honest Republicans, and this is no time for quarreling between Americans, but when I read that advertisement and saw this picture that went all over this country, paid for by some special interest, advertising Wendell L. Willkie as a second Lincoln, and saw this article in the "Press-Dealer," indicating that it is all over but the shouting, talking of things that have been done or that should have been done, I decided to again turn the sunlight of publicity onto that record.

I shall insert in the RECORD at this point a speech I made on this floor in 1940, which I very carefully prepared and in which I went into Mr. Willkie's record. I want you to read it. I wish every American could read it. I wish everybody in both the Democratic and Republican Parties would read it, and that every boy in the service and every mother and father could read it and understand exactly what that record means. If they could all realize what Mr. Willkie's real record is, then I submit that all this fanfare of One World, and all this bunk about another Lincoln, a second coming of Lincoln with Wendell L. Willkie as the hero, would fade away like mists before the morning sun.

The address referred to follows:

[Speech of Hon. JOHN E. RANKIN, of Mississippi, in the House of Representatives, Friday, October 4, 1940]

LET MR. WILLKIE'S RECORD SPEAK

Mr. RANKIN. Mr. Speaker, of all the optimists of whom I have ever heard, the distinguished gentleman from Pennsylvania [Mr. RICH] is entitled to the blue ribbon when he stands here on this floor and tells you that Wendell L. Willkie, if, when, and provided this country should ever experience the calamity of having him for President, would inspire confidence, spread prosperity, and promote the peace of mankind. [Applause.]

The gentleman from Michigan [Mr. MICHENER] said he would place in the RECORD later a statement his candidate made as to what he proposed to do—if elected. If he heard Mr. Willkie say anything about what he intended to do, I advise him to put it in the RECORD now, before Mr. Willkie changes his mind or reads another speech written by somebody else. [Applause.]

I have heard with amazement, and read with confusion, the speeches delivered by Mr. Willkie on his western swing. I do not believe I have read anything or heard anything to compare with it since Don Quixote, with his wooden sword and paper crown, marched across the plains of western Europe to fight the windmills and the funeral processions with which he came in contact. There has not been such a spectacle in a national campaign since Andrew Gump made his famous bid for the Presidency a few years ago. [Laughter.]

Like Andrew Gump, Mr. Willkie seems to be all things to all men. He went out West and told the farmers he was going to lower the taxes on their lands. If he was serious when he made, or read that speech, which must have been written in New York, because anybody outside of Wall Street would have

known that the President of the United States could not have anything to do with the taxes on the farmers' lands. [Applause.] If he was serious when he made, or read, that statement, he showed his ignorance of the farmers' problems. If he was not serious, he showed contempt for the farmers' intelligence.

He talks about democracy, after having been connected with one of the greatest monopolies in the country—one that has been engaged in breaking down our democracy for the last 20 years.

He talks about freedom of the press, after the utility of which he was the head went down to Chattanooga, Tenn., and used the money wrung from the helpless users of electricity to destroy a local newspaper because it was appealing for justice for the power consumers in the Tennessee Valley area.

Freedom of the press. He is evidently for freedom of the utility-controlled press only.

He stood before the farmers of Indiana and waved a receipt for his electric light and power bill and said his bill was too high, that the Rural Electrification Administration was overcharging him. He was at that moment advertising to the people of Indiana the fact that they never would have had electricity on the farms of that State if it had not been for the Rural Electrification Administration created by the Roosevelt administration. [Applause.]

He tells you he is for rural electrification. When did he get that way? I am one man in this House who can give you some evidence of his activities with reference to rural electrification. In my opinion, he is rural electrification's public enemy No. 1. The Commonwealth & Southern, of which he was the head, owns the Mississippi Power Co. That company built one short rural power line in the county in which I live—Lee County, Miss.—and they charged the farmers \$3.25 a month "line charge," whether they used any electricity at all or not, and then charged 5 cents a kilowatt-hour for the electricity used. That made 25 kilowatt-hours of electricity a month cost a farmer on that line \$4.50.

Our cooperative power association bought that line and is now charging \$1 for 25 kilowatt-hours a month, and 25 cents of that \$1 goes to help pay for the line, making 25 kilowatt-hours of electricity a month cost him 75 cents instead of \$4.50, the amount charged by the Willkie utility when these farmers had no way of protecting themselves.

Remember it is the same line, the same farmer, and the same power. At that time the Commonwealth & Southern was buying this power wholesale from the Government at Muscle Shoals at 2 mills a kilowatt-hour, under a contract made with the Republican administration, but when a farmer on this line got 25 kilowatt-hours of it he paid Mr. Willkie's company \$4.50.

Now the cooperative power association is buying this same Muscle Shoals power wholesale from the T. V. A. at 5.5 mills a kilowatt-hour, and the same farmer on the same line gets 25 kilowatt-hours a month for 75 cents instead of \$4.50—or just exactly one-sixth of what he paid the Willkie company for it.

And I might add that his companies tried to kill off rural electrification by building spite lines as interferences until the farmers in some sections took their shotguns and ran the men who were building those spite lines off their lands.

Mr. Willkie stood on the banks of the Columbia River a few days ago and tried to lead the people of Oregon and Washington to believe that he was in favor of public power, after trying all these years to destroy the T. V. A., the greatest weapon the American people have ever had for their protection against the extortionate overcharges the private power companies have been exacting for electric energy.

Mr. Willkie pretends that he reduced light and power rates in the T. V. A. area, when as a matter of fact his companies never reduced rates in that section until the competition of the T. V. A. compelled them to do so; and they never reduced them elsewhere until the publication of the T. V. A. yardstick rates showed the people what electricity was worth, and an aroused public opinion forced them to lower their rates to keep down competition.

Mr. Willkie talks about common honesty in his attacks on the Roosevelt administration. In his speech at Seattle, Wash., he said:

"Nowadays it is about as hard to start a new business as it is to rob a bank, and the risks of going to jail are about as great in both cases."

The only new business organized in recent years with which Mr. Willkie has been connected that I know anything about was the super holding company known as the Commonwealth & Southern. Every man connected with the gigantic fraud that was committed when that company was organized probably ought to have gone to jail.

According to the report of the Federal Trade Commission, it was one of the most brazen acts of its kind ever committed. Was Mr. Willkie one of the guilty parties? We will let the record speak.

The record of the Federal Trade Commission shows that in February 1930 the Commonwealth & Southern was formed by the merger of four small companies, the Allied Power & Light Corporation, the Penn-Ohio Edison Co., the Commonwealth Power Corporation, and the Southeastern Power & Light Co.

The day those corporations were merged into the new Commonwealth & Southern the ledger value of their securities amounted to \$340,896,260.27. They were placed on the books of the new Commonwealth & Southern Corporation, the same day, at \$872,101,832.19, or a write-up of \$531,205,571.92.

What did that extra \$531,205,571.92 represent? It represented wind, water, and Power Trust rascality!

Do not take my word concerning this diabolical transaction, but let the record speak. I quote from the report of the Federal Trade Commission, which investigated this proposition:

"A table showing the ledger value of securities owned by each of the merged companies at the date of merger, and ledger values of the same securities as shown by the records of the Commonwealth & Southern Corporation on the same date, is presented below:

1	Ledger value of securities owned as shown by books of—		Appreciation
	Merged companies	Commonwealth & Southern Corporation	
2	3	4	
Allied Power & Light Corporation.....	\$3,573,997.65	\$21,583,038.35	\$18,009,040.70
Penn-Ohio Edison Co.....	47,301,400.22	107,341,619.23	60,040,219.01
Commonwealth Power Corporation.....	89,742,899.05	372,234,258.32	282,491,359.27
Southeastern Power & Light Co.....	200,277,963.35	370,942,916.29	170,664,952.94
Total.....	340,896,260.27	872,101,832.19	531,205,571.92

"The total difference shown in column 4 of the table, in the amount of \$531,205,571.92, represents the appreciation in ledger values of the securities formerly owned by the four merged or consolidated companies as valued on the books of the Commonwealth & Southern Corporation immediately after the merger."

With one stroke of the pen, they inflated those values \$531,205,571.92, and then proceeded to sell securities against those inflated valuations. That is what they call thievery within the law.

While Mr. Willkie and his cohorts are clamoring for law enforcement, why not enforce the law against using the mails to defraud? Every time an official, an attorney, an agent, or a representative of the Commonwealth & Southern wrote a letter, a circular, or a postal card to induce people to buy stock in the Commonwealth & Southern, or to invest in its securities in any way, with this \$531,000,000 of water in its capital structure, and sent it through the mail, they violated the laws against using the mails to defraud.

The Attorney General of the United States should investigate this proposition thoroughly, and enforce the law just as rigorously against these utility racketeers as he would enforce it against the misguided individual who uses the mails to swindle his neighbor out of a few dollars.

Shall we continue the prosecution of Hopson for using the mails to defraud in connection with the misconduct of the Associated Gas & Electric Co. and at the same time permit the ones who perpetrated this gigantic steal to escape?

Our Government is being destroyed from within by these vast monopolies that disregard human rights, disregard the laws of the land in the perpetration of such misconduct,

as well as by their wholesale robbery of the unprotected public.

Now, let us look back of this Commonwealth & Southern and see what we find. As I said, the formation of the Commonwealth & Southern resulted from the consolidation of the four holding companies listed in the Federal Trade Commission's report. The Penn-Ohio Edison was a holding company incorporated in 1923 under the laws of Delaware. This holding company owned all the common stock of six operating companies and 99 percent of the common stock of the Northern Ohio Power & Light Co.

These operating companies then supplied power to 800,000 people in northeastern Ohio and western Pennsylvania, and included service to such principal cities as Akron, Youngstown, Salem, Ohio, and Sharon, in Pennsylvania. The operation of these companies was contracted and placed under the supervision of the Allied Power & Light Corporation.

The Commonwealth Power Co. was also a holding company incorporated under the Maine laws in 1922. Its operating subsidiaries then served 621 communities, with an estimated population exceeding 2,360,000, located in Michigan, Illinois, Indiana, Ohio, Tennessee, and Georgia. The Michigan operations were conducted by 2 major operating companies, namely, the Consumers Power Co. and the Southern Michigan Light & Power, and covered about 345 cities and towns, with a population exceeding 1,525,000.

The Illinois properties then consisted of 3 operating companies, namely, the Central Illinois Light, Illinois Power, and the Illinois Electric Power Co. The first 2 companies served 48 cities, with a population exceeding 250,000, and included such large cities as Peoria and Springfield. In Springfield, Mr. Willkie's company operates in competition

with Springfield's municipal plant and has had to meet the competition of the public-plant rates. The Illinois Electric Power Co. was a generating company wholesaling to the Illinois properties and to foreign private companies. The Indiana operations of the Commonwealth were carried on by the Southern Indiana Operating Co., centering around Evansville and reaching a territory with population in excess of 125,000.

The Ohio operations of the Commonwealth Co. were conducted by the Ohio Edison Co., which served 45 communities, with population exceeding 105,000, in and around Springfield.

The Commonwealth Power Co. in 1925 acquired the Tennessee Electric Power Co. Tennessee Electric Power Co. then served 139 communities in Tennessee and 5 in northern Georgia and wholesaled to other private companies servicing over 100 communities in eastern Tennessee. The population of the communities directly served by Tennessee Electric Power Co. exceeded 375,000. This original Commonwealth Co. formed the backbone of the property later sold to the T. V. A. In addition to these holding and operating companies, Commonwealth operated through the Utilities Coal Corporation coal mines in Illinois and Kentucky.

The Southeastern Power & Light was also a holding company formed in 1924 to acquire the Alabama Power Co., Southeastern Fuel Co., Georgia Power Co., South Carolina Power Co., Mississippi Power Co., the Gulf Power Co., and the Gulf Electric Co. These subsidiaries at the time of the merger served 868 communities and a population of approximately 5,000,000. The object of this organization was to get control of the power to be generated at Muscle Shoals.

The Allied Power & Light was a combined holding, engineering, construction, and supervising company. It was formed in 1928 by acquiring the business and contracts of Hadenpyl, Hardy & Co., and Stevens & Wood, and handled all the engineering, construction, and supervision for all the original Commonwealth properties and the Penn-Ohio Edison.

WILLKIE'S BACKGROUND

I trust that you have followed closely the dates of the above mergers so that we can compare Mr. Willkie's own statement of experience, as given in *Who's Who*. After a short tenure with the Firestone Rubber Co., in a subordinate legal position in 1919, Mr. Willkie joined the Akron law firm of Mather & Nesbit in 1919, which connection he continued until 1929. This firm were the attorneys for the Ohio Edison. In those early holding-company days, the principal work of the local attorneys was lobbying before legislatures and regulatory bodies, franchise renewals, and rate fixing.

In 1927 and 1928 Mr. Willkie was lobbying at the National Capitol against the Walsh investigation resolution, and assisting Weadock, who represented the National Electric Light Association in opposing that resolution. One of the briefs filed before the Senate committee in opposition to the Walsh resolution was prepared by Mather, Nesbit & Willkie, attorneys for the Ohio utility. Remember this was the resolution under which the Federal Trade Commission was operating when it uncovered the rascality perpetrated in the organization of the Commonwealth & Southern, in which more than \$531,000,000 worth of water was poured into the capital structure.

In 1929 Mr. Willkie moved to New York to become associated with his old N. E. L. A. associate, Mr. Weadock, in the firm of Weadock & Willkie, general counsel of the Commonwealth & Southern. The records indicate that this firm's only client was Commonwealth & Southern. Mr. Willkie's New York firm continued in this capacity until Mr.

Willkie was elected president of the Commonwealth & Southern in 1933.

The Commonwealth & Southern was a Morgan-Bonbright creation. The New York Times of May 24, 1933, shows that George H. Howard, one of the Commonwealth & Southern directors was a ground-floor participant in the stock-market cuts of J. P. Morgan & Co. It will be remembered that friends of J. P. Morgan were given blocks of stock below the market price. Anyone interested in this phase of manipulation can brush up by reading the long record of the 1933 Senate banking investigation.

Anyone with realistic information on corporate practice knows that all political, public policy, financial, and franchise matters are handled by a corporation's legal counsel. The corporation counsel in one of these useless holding companies is the assistant chief of staff, who is supposed to guide the financial "big shots" so that "thievery within the law" can be accomplished without interference.

From 1919 up to the Republican convention of 1940, Mr. Willkie's entire experience (except a short initial interval with Firestone) was with the legal staff of Commonwealth & Southern and predecessor companies. He was a part of this legal staff when all these mergers and manipulations took place. At no time was he connected directly with the actual operations, or the task of making the wheels go around. The actual operation of the properties with which Mr. Willkie was associated, were handled by Hodenpyl & Hardy, Stevens & Wood, and the Allied Power, and since the dissolution of the engineering adjuncts, this phase of Commonwealth & Southern business has been handled by the operating men in these two organizations and those who came over with the Commonwealth merger.

Mr. Willkie's entire utility background, and that is the sum total of his business experience, has been in the field of legal legerdemain. He was in the set-up as an assistant chief of staff and chief of staff, during all the manipulations of the Commonwealth & Southern and its predecessors for the last 20 years. In spite of General Johnson's assertion, Mr. Willkie was in the picture when Penn-Ohio Edison was formed in 1923, and when Penn-Ohio Edison was a component in the assembly of the Commonwealth & Southern in 1929.

WATERED SECURITIES

As I have pointed out, at the time the Commonwealth & Southern was formed, the ledger value (book property account) of the companies forming the combine was \$340,896,260.19. This value, according to the Federal Trade Commission, had been previously written up in the 1922-23 and succeeding combinations. Prior write-ups were found by the Federal Trade Commission, but the total prior write-ups can only be reached by estimate. The "per customer ledger value" of the four holding companies going in the Commonwealth & Southern combination indicates a write-up of around \$38 per customer. The first full year's report of the Commonwealth & Southern shows 1,053,759 electric consumers. Therefore, by such an estimate the prior write-up was at least \$40,000,000. This is a conservative estimate as it neglects the gas, ice, transportation, and water properties.

In addition to these prior write-ups an actual audit of the books of the Commonwealth & Southern by the Federal Trade Commission discloses another write-up, as I said, of \$531,205,572 in the formation of the giant holding company known as the Commonwealth & Southern, which serves, or is served by, a population of nearly 10,000,000. Against these write-ups new securities were issued and sold. The 1930 report of the Commonwealth & Southern sets out the plant account as \$1,032,252,068, and securities outstanding, plus current debt, as \$1.005 per \$1

of ledger value (the ledger securities outstanding and the plant value for balance-sheet purposes were practically the same).

Exclusive of the funded and current debt and preferred stock of the subsidiaries, the balance sheet shows the holding company issuing and selling \$150,000,000 of \$6 no-par preferred stock, \$51,900,000 of Commonwealth & Southern debt obligations, 33,673,328 shares of common stock and 17,588,956 common-stock option warrants.

As is known by those familiar with holding-company manipulations, the control of the common stock of the subsidiaries is the key step in the formation of a super holding company. Accordingly in the first half of 1929, with the panic in sight, the insiders of Morgan & Co. and Bonbright started the Commonwealth & Southern vehicle upon which the public was to take an inglorious ride. The gas which started this vehicle was \$15,000,000 of Bonbright cash and \$13,000,000 of Morgan cash, borrowed from two Morgan utilities. This and something like \$15,000,000 other cash was used to buy up substantial amounts of the common stock of the three major underlying holding companies. This initial control stock was purchased by the insiders at \$19 per share.

With the common stocks in their possession, the inside manipulators then commenced negotiations to trade the remaining common shares of the underlying holding companies for Commonwealth & Southern shares at a price which ranged from \$24 to \$24.40 per share. The next month Commonwealth & Southern shares were placed on the New York Curb market and daily transactions ran into hundreds of thousands. Nine days after listing, trading in Commonwealth & Southern shares exceeded the million mark. The ride was on and the reluctant share owners of the subsidiaries rushed in to trade the remaining subsidiary shares for proposed Commonwealth & Southern common. This is how Commonwealth & Southern was formed and the public was coaxed for a ride. In 22 days the vehicle had been created, the insiders had a \$15,000,000 profit on the original shares, and the investing public had climbed aboard. By October 1929 Commonwealth & Southern common reached nearly \$25 per share.

As bait, over 17,000,000 shares of option shares were issued at \$30 per share. The traders advised that the shares would reach \$50 by the end of the year. The shameful fraud of this stock-jobbing manipulation can be shown by a few simple figures.

The 33,673,328 common shares at, say, \$25 a share represent \$840,000,000. At \$50 a share, anticipated, this common would represent \$1,680,000,000. The 17,588,956 options at the issuing price represent \$527,000,000. On top of these huge amounts were \$916,000,000 of Commonwealth & Southern and subsidiary bonds, preferred stocks, and other obligations, such as customers' deposits, and so forth. Think of the fantasy of a paper value of

\$2,283,000,000 to \$3,123,000,000 for a legitimate ledger value of only about \$301,000,000 (actual ledger value of subsidiaries of the Commonwealth & Southern, less prior write-ups, or \$340,896,260.27 at the time the company was formed. I would like to ask Mr. Willkie what the rates would have to be to support such a capital structure which his inside friends and employers erected in 1929.

Did they use the mails to defraud in selling their watered stocks against these inflated values?

Today the options are worthless.

Mr. Willkie in his last balance sheet placed the common at \$168,366,640, or \$5 per share. The market value of the common share is now around \$1.25, or \$42,000,000. The paper stock and option write-down amounted to one and three-tenths billion dollars. The investors became victims. Weadock and Willkie were assistant chiefs of staff during the time of the transactions.

Even with the write-down on 33,000,000 shares of common to \$5, the electric book value per customer of the Commonwealth & Southern is \$672 per customer. When Mr. Willkie took over the presidency of Commonwealth & Southern, the company had the second highest per customer valuation in the country. The per customer reduction from \$833 in 1930 to \$672 in 1938 arose not from any substantial lowering of capitalization but from taking on more customers.

Compare these figures with \$303 for Insull's Commonwealth Edison, and \$264 for all the public municipal plants in America. If Mr. Willkie's company had been efficiently operated financially, as the average public plant in America, it would have \$550,000,000 less securities outstanding. Tacoma, Wash., has an outstanding debt of \$123.50 per customer. The average American municipal plant has through amortization, an outstanding debt of only \$94 per customer. Mr. Willkie's company in spite of stock write-downs, still has securities outstanding in excess of \$670 per customer.

All the magazine talk of Mr. Willkie's rate-reducing policies is pure hokum. The only way that he can reduce his company's rates to the T. V. A. yardstick level is by putting the Commonwealth & Southern through the wringer and squeezing the water out of its capital structure. Any intelligent person knows that it is impossible for Mr. Willkie's company to reach Tacoma rate levels with \$670 per customer of securities outstanding compared with \$123.50 for Tacoma. To argue otherwise is willful deceit. But it can be done by squeezing the water out of the capital structure and eliminating the waste, graft, and extravagance.

WILLKIE'S OVERCHARGE

In the year 1938, before the T. V. A. sale, Willkie's companies overcharged their electric consumers \$60,510,000 per year based on Tacoma rates. The details of these overcharges are given in the following table:

Overcharges of subsidiaries of Commonwealth & Southern for different classes of service, calendar year 1938, based on Tacoma's filed tariffs

Operating company	State	Residential overcharges	Commercial and industrial overcharges	Highway and street lights, etc.	Other utilities and railroads	Total
Alabama Power Co.	Alabama	\$2,190,000	\$4,865,000	\$218,000	\$243,000	\$7,630,000
Georgia Power Co.	Georgia	3,310,000	7,231,200	455,000	1,706,000	10,250,200
Tennessee Electric Power Co.	Tennessee	2,325,000	3,810,100	159,000	368,000	6,662,100
Consumers Power Co.	Michigan	5,655,000	8,763,500	561,000	220,100	15,179,600
Ohio Edison Co.	Ohio	3,312,000	4,515,600	356,000	754,000	8,937,600
South Carolina Power Co.	South Carolina	578,000	887,300	70,600	134,900	1,601,800
Central Illinois Light Co.	Illinois	1,044,000	1,812,100	293,500	168,000	3,317,600
Gulf Power Co.	Florida	379,000	498,200	35,050	-----	\$12,550
Pennsylvania Power Co.	Pennsylvania	854,000	1,171,800	120,800	74,500	2,220,500
Mississippi Power Co.	Mississippi	650,000	1,900,000	316,800	91,400	2,957,700
Southern Indiana Gas & Electric	Indiana	589,000	768,000	69,800	126,150	1,400,650
Total		20,866,000	36,322,800	2,655,550	665,650	\$60,510,000

¹ Below Tacoma average rate +.

In spite of these rate overcharges, Mr. Willkie operated his companies from 1933 to date by reducing guaranteed dividends on preferred stocks. Up to the date of the Republican convention, Mr. Willkie's company was in arrears to his Commonwealth & Southern preferred stockholders \$16.50 per share, or \$24,800,000 on 1,500,000 shares. He was only able to keep his head above water by taking \$24,800,000 from his preferred stockholders and writing down the common stock from the original sale price of \$24 a share to less than \$5 a share, or \$19 a share on 33,673,328 shares, which represents a loss to them of \$640,000,000, and it has now dropped to \$1.25 a share, as the daily market reports show.

With this record of Mr. Willkie's, and the record of the forces with which he trains before us, I find it impossible to follow the optimistic gentleman from Pennsylvania [Mr. RICH] when he tells us that Mr. Willkie is the man to elect President of the United States if we want to inspire confidence, spread prosperity, and restore the peace and happiness of mankind. [Applause.]

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. DIRKSEN] is recognized for 10 minutes.

THE DRAFTING OF FATHERS

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent that my time be extended for 5 minutes.

The SPEAKER. Is there objection? There was no objection.

Mr. DIRKSEN. Mr. Speaker, I had no intention of making any observation about the remarks made by the gentleman from Mississippi [Mr. RANKIN]. I am not interested particularly in the source of the funds that paid for that advertisement to which he referred, provided it was legally done. But let it be said at least that that is one candidate whose advertising costs are not taken out of the Federal Treasury. I am not interested at the moment in whether or not a given individual is drafted for high office in 1944. I am more interested at the moment in the proposed drafting of 446,000 fathers in the country, for military service. That is infinitely more to the point at the moment. Political expediency would perhaps dictate that one better say nothing about it, because it is not too likely that that shall ever come to the floor of this House, if the proposed bill is liquidated in the Senate, but I think I would be rather remiss to my own conviction if I did not say something about it for my people.

The question of manpower and the drafting of fathers has certainly been uppermost in the minds of the folks back home. I took down the first report of the Selective Service recently, and saw the emphasis that was placed upon the sanctity and the necessity for preserving the American home. Now it is made to appear that the drafting of the 446,000 fathers before the 1st of January is one of those inevitable and inexorable things. Insofar as I can find out, we have 7,700,000 men in the armed services, of which they expect to have 4,750,000 overseas by the end of 1944, which is still more than 15 months hence. The original estimate for our armed forces was slightly over 8,200,000.

Assuming that vessels and everything else are available to transport 4,750,000

men by December 31, 1944, we will still have an Army of 3,000,000 men in continental United States. The War Department has seemingly reduced its estimate of military manpower by 562,000. The arithmetic for drafting dads is very alluring and it is very simple. We are told that there must be 1,221,000 additional members in the armed services by the end of the year. There will be available from the reclassification and from those who become 18 years of age about 775,000; 1,221,000 minus 775,000 leaves 446,000. Therefore, it becomes imperative that 446,000 fathers be inducted into the military service. But does it? Does that conclusion follow? I think I have some other ideas about it.

I will go along with our military and naval authorities whenever they make it abundantly clear that this must be done. But I believe we are entitled to something of a case besides a mere naked statement to that effect. That is the reason I raise my voice today.

Why do they constantly emphasize this business of drafting fathers when the problem before the country today is overall manpower? Manpower for civilian industry, for the distribution services, for defense plants, for the maintenance of the civilian economy, as well as for the armed services. Let us not be deluded or kidded because this whole manpower business is in a snarl, and will grow progressively worse as the months go by. It will, in fact, involve considerations of public health and public safety and we should explore it now.

I get a little concerned every time I ride on a railroad train when my senses tell me it is going 100 miles an hour because there are so many thousands who have been siphoned out of the transportation industry already and it becomes a critical problem with the transportation enterprises of the country.

I listen to people who have made readjustments in their businesses and find now that they are just about to be shunted out of business because there is no more manpower. Is it not rather interesting that this war is not yet 2 years old for the United States and that we are already confronted with a very critical manpower problem? Suppose it lasted as long as some gloomy prophets and professional pessimists prophesy, then what? It would indicate that there is a snarl, that there has been misdirection in this whole field, and that we ought not be kissed off by just one component element of the problem, such as the proposed drafting of fathers, but that we ought to look at the whole business.

When they say "drafting fathers" to me, I say all right, if it is made abundantly clear that there are no alternatives, but it does not follow that there are not some other sources that ought to be explored.

What about the Government pay roll? It gets bigger by the month. Three million twenty-nine thousand four hundred and eighty-three civilians on the pay roll as of May 31, 1943. The administrative patterns have been pretty well established for most of those agencies. Does it take as much manpower

now to operate them as it did before? Must we continue dispensable functions of government in wartime such as this board in the Department of the Interior whose business it is to find the proper geographical names for mountains and highways, where they have 110 people employed? Is it not high time that we gave some rather serious consideration to the question of streamlining and diminishing the Federal pay roll in order to meet the momentary and imminent drafting of the fathers of the country? Do we still have to have 60,000 civilians running the War Manpower Commission? That is what they have got. Do we still have to have more than 55,000 people running the O. P. A.? They have more than that now. Do we still have to have nearly 4,000 running the Office of War Information? That is what they have got. Do we still need 12,000 people in censorship? That is what they have got. Do we still need 33,000 people in wartime in the Federal Security Agency? That is what they have got. Do we still need 2,200 people to run the Federal Communications Commission in wartime? They have got more than that.

I think the time has come for us to take a little look at this Federal pay roll and see whether or not we cannot find a substantial portion of the required military manpower in that field.

We had a subcommittee to investigate, under the chairmanship of the very able Member of this House, the gentleman from California, Mr. JOHN M. COSTELLO. Here before me is the first interim report of that committee, known as House Report No. 363. Provide yourselves with a copy. It is going to be very useful later. They report that there are 840,578 people in Government who are males between the ages of 18 and 38. That means 840,578 potentially available for military service. Suppose that is broken down to determine the number who are fathers and the number who must be deferred because they pursue some critical function of government. The chances are that there are literally hundreds of thousands in that list alone who would be available for the demands of the War and Navy Departments at the present time in meeting their requirements between now and January 1, 1944. So I say there is an alternative. When they say that we must draft dads I want to say there are some other sources that ought to be explored, and the first one is the Federal pay roll. Recruitment from this source would serve two purposes. It would provide additional manpower and also reduce a staggering civilian pay roll which now costs nearly \$650,000,000 per month.

There is another source. That source, of course, is the defense plants that have been built by Federal money and that are scattered through the country today. Yesterday we had a little session downstairs with a gentleman who was the substantial head of a State-wide organization under the present administration. He was telling about his brother leaving a defense plant because there was not work enough to do. They would not diminish the pay roll. He had too much

conscience to take money for services not rendered and so he quit. I heard it repeatedly out home this summer. Many people have come to me to say what their experiences were in some of these defense plants, and that the personnel could be very substantially diminished. They say there would be additional manpower eligible for the draft and eligible for the demand of the armed services at the present time.

I do not mean to imply that in the main, workingmen are not doing their jobs. In fact most of them are, and doing them in many instances under difficult housing and living conditions. But I do know what has been told to me by men familiar with the conditions at some of these Government built plants and I can only infer from this information that there is a reckless waste of manpower. We cannot afford such waste. We cannot afford waste in any line, let alone manpower. Big as we are, rich as we are, blessed as we are as a Nation with resources and talent, we are in a global conflict and neither manpower nor material can be wasted. That is one thing we better write in the hat right now.

Some investigation has been made of this matter but it was very casual. I am informed of one plant, where a foreman told some of the men to duck because the Truman investigators were to appear. They wanted to conceal, as best they could, the overstaffing of the plant. Who can defend such a practice?

So before they say to us it is inevitable that 446,000 fathers must be drafted, that the home life in 446,000 homes must be impaired, I think it is high time that there be an immediate and summary exploration just to make sure we cannot get it from some other source instead of not only impairing the homes but impairing the civilian economy of the country.

We are going to these people and asking them to buy bonds and to do everything in the war effort, and how gladly they do it, but a resistance is beginning to develop now, and there is some impairment of morale that I have noticed. I have heard people talking in the defeatist tempo, and it is high time that we give to the taxpayers and the fathers and the home owners a break in this country, and that we meticulously examine the Federal pay roll and some of these defense plants to see whether there will not be available much of this required manpower instead of taking the fathers.

I watched the offices unloading their personnel at some places like Chicago, and I have been fairly amazed and astonished at the number of young men who certainly looked like they were in the draft age, and who did not look particularly encumbered, who may be available in order to meet the very enormous problem.

So when they say to me that it is inevitable that we have got to draft the fathers, I say, like Ishmael of old, that they raise their eyes and see what we have; that we should look at the Federal pay roll and at the pay roll of a good many defense plants to see whether

or not they are overstaffed and whether they will be a source of available manpower.

There is another source, and that source is right in the War and Navy Departments themselves. There is not a Member of this House who has been to the War and Navy Departments who did not come back somewhat astonished at the number of people who were there, some of whom, apparently, are not always too busily engaged. Let us take a look at what they have got.

The War Department has 897,450 civilian males on the pay roll; maybe more now. The Navy Department has 490,500 male civilians on the pay roll now. That is over 1,300,000 male civilians who are working for the War and Navy Departments.

I do not say that they are not necessary, but I do say that if 2 men can do the work of 3, if we can retrench by 100,000 or 200,000, it ought to be done now, because we owe it to the high and resurgent faith of a great people that are sweating through this war and gladly bearing the burden of taxes, buying bonds, working laboriously, all in the hope of that day when the golden V of victory shall be written in the sky.

I think we ought to look down here where there are so many men that might be taken out of these Departments and who might be made effective military and naval men in our armed services. So when they say to me it is inevitable that the long arm of selective service has got to reach into the homes and take the fathers, I say, first of all, take a look at the Federal pay roll, where there are more than 840,000 males of military age; take a look at the defense plants to see how many we can get from that source, and finally dip down right in the Departments and find out what they can spare of civilian personnel and see how close we can come to the 446,000 that are needed to bridge the gap between now and December 31, 1943.

If they will do that, and if they will come back with the answer that the exploration has been made and that they cannot be found, I shall be one of the first to hold up the hands of General Marshall, a great soldier, and Admiral King, a great sailor, and say go ahead.

Finally, Mr. Speaker, there may be a fourth source, and that is the young women of the land who can serve the armed forces in an administrative capacity. WAVES, WAC's, and SPARS have already done notable work. I assume that the drive for increased membership in these contingents is still under way. Perhaps the tempo and vigor of the drive can be increased. Each young woman who assumes duties in the armed services releases a fighting man and also diminishes the need for drafting fathers.

It occurs to me that the administration and the Congress owes it to the patriotic, robust, and uncomplaining soldiers on the home front who carry on our civilian economy, who pay taxes and buy bonds, to manage the war effort on a sound, unselfish, and economical basis and that where sacrifices in manpower

must be made, the people's own Government should lead the way.

EXTENSION OF REMARKS

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. LAFOLLETTE] may extend his own remarks in the RECORD and include a speech.

The SPEAKER. Is there objection? There was no objection.

Mr. MICHENER. I also ask unanimous consent that the gentleman from Vermont [Mr. PLUMLEY] may extend his own remarks in the RECORD.

The SPEAKER. Is there objection? There was no objection.

Mr. RAMEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Ohio? There was no objection.

ADJOURNMENT

Mr. SULLIVAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 58 minutes p. m.), pursuant to its order heretofore entered, the House adjourned until Monday, September 27, 1943, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Tuesday, September 28, 1943, to begin hearings on H. J. Res. 148, providing for the diversion of additional water from Lake Michigan through the Sanitary Canal at Chicago.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

741. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill to authorize the Secretary of the Interior to donate and convey, on behalf of the United States, to Jack Henry Post, No. 1, of the American Legion, Anchorage, Alaska, the wood-frame building, known as the Telephone and Telegraph Building, located on lots 7 and 8 in block 17, Anchorage Townsite; to the Committee on the Public Lands.

742. A letter from the Director, Committee for Congested Production Areas, transmitting the quarterly estimate of personnel requirements for the Committee for Congested Production Areas for the period October 1, through December 31, 1943; to the Committee on the Civil Service.

743. A communication from the President of the United States, transmitting deficiency estimates of appropriations of \$302,779 for the fiscal years 1942 and 1943, and supplemental estimates of appropriations of \$524,800 for the fiscal year 1944, in all \$827,579, for the Post Office Department (H. Doc. No. 286); to the Committee on Appropriations and ordered to be printed.

744. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the National Housing Agency in the amount of \$200,000,000 for war housing (H. Doc. No. 287); to the Committee on Appropriations and ordered to be printed.

CHANGE OF REFERENCE

Under clause 2 of rule XXII the Committee on Claims was discharged from the consideration of the bill (H. R. 3037) conferring jurisdiction upon the United States District Court for the Southern District of Iowa to hear, determine, and render judgment upon the claim of Esther A. Karr, and the same was referred to the Committee on War Claims.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BOREN:

H. R. 3326. A bill directing the immediate liquidation and dissolution of the Commodity Credit Corporation and abolishing its powers; to the Committee on Banking and Currency.

By Mr. COSTELLO:

H. R. 3327. A bill relating to employment in civilian positions under the Government of the United States of persons found mentally deficient for training and service under the Selective Training and Service Act of 1940, as amended; to the Committee on Military Affairs.

By Mr. JUDD:

H. R. 3328. A bill authorizing employment of engineers in private practice for Government projects; to the Committee on Public Buildings and Grounds.

By Mr. HOWELL:

H. J. Res. 162. Joint resolution urging the institution of Americans-All-Immigrants-All Program; to the Committee on Immigration and Naturalization.

By Mr. BARRY:

H. Con. Res. 44. Concurrent resolution to create a joint congressional committee for the purpose of recommending a Pacific Charter to the Congress; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the president of the National Council of the Republic of Poland, memorializing the President and the Congress of the United States, expressing its sentiments of deepest joy, through the liberation of Italy from the alliance with Germany; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND:

H. R. 3318. A bill for the relief of Lorenzo Thomas Sullivan, deceased; to the Committee on Naval Affairs.

By Mr. COFFEE:

H. R. 3319. A bill for the relief of A. J. Sprouffske; to the Committee on Claims.

By Mr. CRAWFORD:

H. R. 3320. A bill granting an increase in pension to Floyd L. Green; to the Committee on Pensions.

By Mr. DIMOND:

H. R. 3321. A bill for the relief of Warde A. Johnson; to the Committee on Claims.

H. R. 3322. A bill for the relief of Lee Harrison; to the Committee on Claims.

By Mr. KEFAUVER:

H. R. 3323. A bill for the relief of Mrs. William M. Watson; to the Committee on Claims.

By Mr. LEOGH:

H. R. 3324. A bill for the relief of the Postal Telegraph-Cable Co.; to the Committee on Claims.

By Mr. SCHWABE:

H. R. 3325. A bill granting an increase of pension to Roxie Fellows; to the Committee on Invalid Pensions.

By Mr. McGEHEE:

H. R. 3329. A bill for the relief of Lt. Col. Charles H. Morhouse; to the Committee on Claims.

H. R. 3330. A bill for the relief of R. B. Walker Funeral Home; to the Committee on Claims.

H. R. 3331. A bill for the relief of Harry L. Smith; to the Committee on Claims.

By Mr. PETERSON of Georgia:

H. R. 3332. A bill for the relief of Spencer Meeks; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2503. By Mr. FISH: Petition of Poughkeepsie Pythian Club, Inc.; E. Nichols; Carl Bain, president, Local No. 36, United Federal Workers of America, Congress of Industrial Organizations; Polish-American Citizens' Club, Group No. 368, of Polish National Alliance, Inc., and 193 citizens of Poughkeepsie, Dutchess County, N. Y., protesting against the passage of House bill 2082, contending that professional prohibition organizations are attempting to force its consideration and passage, which would impose complete prohibition for the duration of the war; that prohibitionists are also sponsoring legislation which would bring back prohibition by banning the sale of beer to our fighting forces in and near military camps as well as to civilians in zones around such camps; that the object of all such legislation is to reestablish complete national prohibition in the United States during the absence from their homes of more than 8,000,000 citizens in the military service of their country; that such legislation is opposed by the War and Navy Departments as well as by the great majority of our soldiers, sailors, marines, and civilians; that national prohibition, during a test of 13 years from 1920 to 1933, brought upon the Nation the uncontrollable evils of the speakeasy and the bootlegger, the degradation of teen-age girls and boys, Nation-wide home manufacture of illegal liquor, widespread vicious crime, official corruption, and disrespect for law, all of which so outraged public decency that the eighteenth amendment was repealed by a majority of 10,000,000 votes; and that the enactment of any such legislation would completely destroy all legalized control and cause the loss of Federal revenues of more than \$1,500,000,000 a year and local revenues of \$500,000,000 a year without any compensating benefits to either State or Nation; to the Committee on the Judiciary.

2504. By Mr. RAMEY: Petition of members of Harry E. Pond Post of the American Legion, protesting against the passage of House bill 2082, to reduce absenteeism, conserve manpower, and speed production of materials necessary to the winning of the war, sponsored by Hon. JOSEPH R. BRYSON, of South Carolina; to the Committee on the Judiciary.

2505. Also, petition of Frank Vargo and 19 residents of Toledo, Curtis, and Cleveland, Ohio, and Temperance, Mich., protesting against the passage of House bill 2082, to reduce absenteeism, conserve manpower, and speed production of materials necessary to the winning of the war, sponsored by Hon. JOSEPH R. BRYSON, of South Carolina; to the Committee on the Judiciary.

2506. By Mr. ELSTON of Ohio: Petition of Gustav Pfeiffer; Harry Fritsch; Edna A. Muel-

ler; Paul E. Frederick; Norwood Eagles, Aerle No. 449; Charles Harding; Louis J. Kessner; John Wesler; Fred Kirchner; Walter Ramsey; Paul Kraft; Mrs. E. Kist; David Huber; William C. Stoes; William Tice; and 428 other residents of Cincinnati, Ohio, protesting against the consideration of any and all prohibition measures by Congress; to the Committee on the Judiciary.

2507. By Mr. GWYNNE: Petition of Cal Collettine of the Green Tavern, Charles City, Iowa, and 60 other residents of the Third District of Iowa, opposing enactment of House bill 2082; to the Committee on the Judiciary.

2508. Also, petition of F. T. Nockles and 39 other residents of Charles City, Iowa, opposing enactment of House bill 2082; to the Committee on the Judiciary.

2509. Also, petition of W. F. Bohneman, of Elliceville, Iowa, and 19 other residents of Iowa, opposing enactment of House bill 2082; to the Committee on the Judiciary.

2510. By Mr. COCHRAN: Petition of M. R. Mandeville and other citizens, protesting against the passage of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2511. Also, petition of Joseph J. Houser and 20 other St. Louis citizens, protesting against the passage of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2512. Also, petition of the Corrugated and Fiber Box Makers Union 22330, signed by 119 St. Louis citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2513. Also, petition of Adam B. Ofenstein and 60 other St. Louis citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2514. Also, petition of Ed Traft and 20 other St. Louis citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2515. Also, petition of Emil E. Bussen and 40 other St. Louis citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2516. Also, petition of the Anheuser Busch Post, No. 229, of the American Legion, signed by 20 St. Louis citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2517. Also, petition of H. G. Rahn and 20 other citizens, protesting against the passage of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2518. Also, petition of G. A. Anderson and six other St. Louis citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2519. Also, petition of A. S. Preusch, signed by 180 citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

2520. By Mr. THOMASON: Petition of the teachers of El Paso County, Tex., endorsing Senate bill 637, a bill proposing to extend Federal aid to public schools; to the Committee on Education.

2521. By Mr. SCHIFFLER: Petition of the members of the American Legion Post, No. 1, of Wheeling, W. Va., opposing House bill 2082; to the Committee on the Judiciary.

2522. By the SPEAKER: Petition of the Sons of Confederate Veterans, commending the administration's foreign policy with regard to the prosecution of the war; to the Committee on Military Affairs.